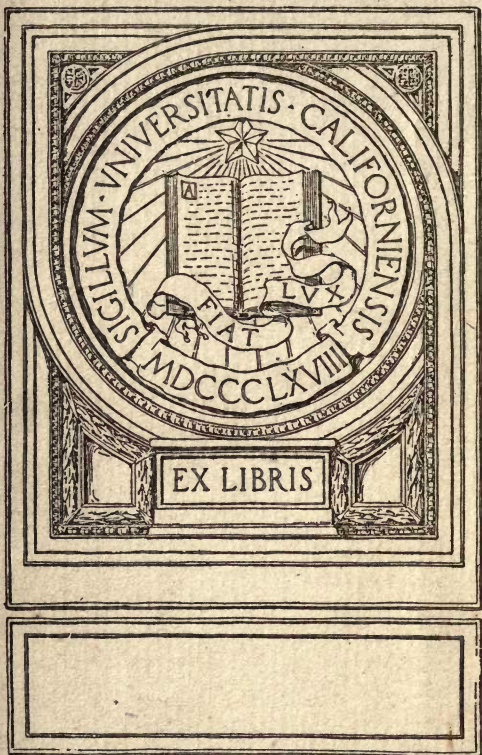
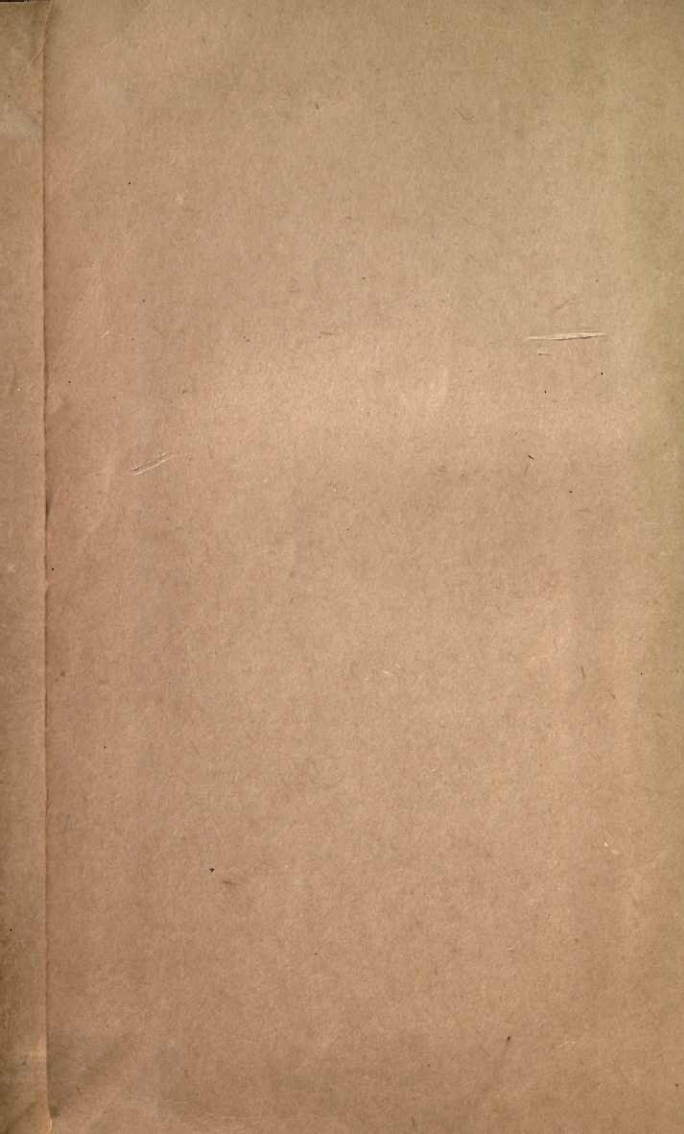




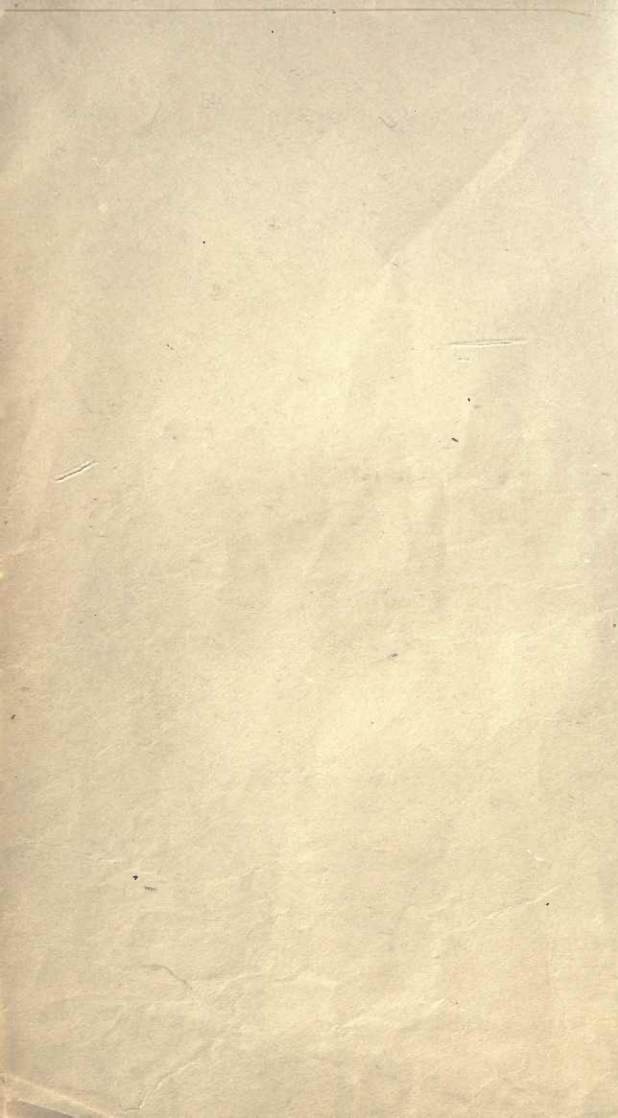
\$B 267 065



procrastinate
vindicated
mitigate







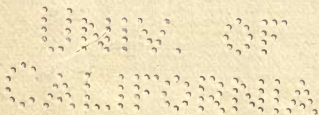
ALEXANDER HAMILTON

BY

CHARLES A. CONANT

11

mar



BOSTON AND NEW YORK
HOUGHTON, MIFFLIN AND COMPANY
The Riverside Press, Cambridge

E302
.H3C7

COPYRIGHT, 1901, BY CHARLES A. CONANT
ALL RIGHTS RESERVED

Published October, 1901

TO THE
LIBRARY OF THE
BOSTON PUBLIC LIBRARY

CONTENTS

CHAP.	PAGE
I. YOUTH AND EARLY SERVICES . . .	1
II. THE FIGHT FOR THE CONSTITUTION . .	22
III. ESTABLISHING THE PUBLIC CREDIT . .	47
IV. CONGRESS SUSTAINS HAMILTON . . .	63
V. STRENGTHENING THE BONDS OF UNION .	76
VI. FOREIGN AFFAIRS AND NEUTRALITY . .	100
VII. HAMILTON AS A PARTY LEADER . . .	118
VIII. HAMILTON'S DEATH AND CHARACTER .	135

CONTENTS

1	THE HISTORY OF THE	
2	3	4
5	6	7
8	9	10
11	12	13
14	15	16
17	18	19
20	21	22
23	24	25
26	27	28
29	30	31
32	33	34
35	36	37
38	39	40
41	42	43
44	45	46
47	48	49
50	51	52
53	54	55
56	57	58
59	60	61
62	63	64
65	66	67
68	69	70
71	72	73
74	75	76
77	78	79
80	81	82
83	84	85
86	87	88
89	90	91
92	93	94
95	96	97
98	99	100

ALEXANDER HAMILTON

I

YOUTH AND EARLY SERVICES

THE life of Alexander Hamilton is an essential chapter in the story of the formation of the American Union. Hamilton's work was of that constructive sort which is vital for laying the foundations of new states. Whether the Union would have been formed under the Constitution and would have been consolidated into a powerful nation, instead of a loose confederation of sovereign states, without the great services of Hamilton, is one of those problems about which speculation is futile. [It is certain that the conditions of the time presented a rare opportunity for such a man as Hamilton, and that without some directing and organizing genius like his, the consolidation of the

Prio

*See
conit*

Union must have been delayed, and have been accomplished with much travail.

The difference between the career of Hamilton in America and that of the two greatest organizing minds of other countries — Cæsar and Napoleon — marks the difference between Anglo-Saxon political ideals and capacity for self-government and those of other races. Where the organization of a strong government degenerated in Rome and France into absolutism, it tended in America, under the directing genius of Hamilton, to place in the hands of the people a more powerful instrument for executing their own will. (So powerful a weapon was thus created that Hamilton himself became alarmed when it was seized by the hands of Jefferson, Madison, and other democratic leaders as the instrument of democratic ideas, and those long strides were taken in the states and under the federal government which wiped out the distinctions between classes, abolished the relations of church and state, extended the suffrage, and made the government only the servant of the popular will.

The development of two principles marked the early history of the Republic, — one, the growth of sentiment for the Union under the inspiration of Hamilton and the Federalist party; the other, the growth of the power of the masses, typified by the leadership of Jefferson and the Democratic party. These two tendencies, seemingly hostile in many of their aspects, waxed in strength together until they became the united and guiding principles of a new political order, — a nation of giant strength whose power rests upon the will of all the people. It was the steady progress of these two principles in the heart of the American people which in “the fullness of time” made it possible for the Union to be preserved as a union of free men under a free constitution. To Hamilton, the creator of the machinery of the Union, and to John Marshall, the great Chief Justice, who interpreted the Constitution as Hamilton would have had him do, in favor of the powers of the Union, this result was largely due.

If Cæsar, fighting the battles of Rome on

the frontier of Germany, and kept from party quarrels at home, and Napoleon, born outside of France and free by his campaign in Egypt from the compromising intrigues of Parisian politics, were preëminently fitted by these accidents to transmute the spirit of revolution from chaos into order, Hamilton stood in somewhat the same position in America. Born in the little island of Nevis in the West Indies (January 11, 1757), he came to the United States when his mind was already mature, in spite of his fifteen years. He came without the local prejudices or state pride which influenced so many of the Revolutionary leaders, and was therefore peculiarly qualified to fasten his eyes steadfastly upon the single end of the creation of a nation rather than the ascendancy of any single state. He was so free from local attachments that he even hesitated at first on which side he should cast his lot, — whether with the imperial government of Great Britain, which appealed strongly to his love of system and organized power, or with the struggling revolutionists, with their

poor and undisciplined army and uncertain future. The possibility of winning distinction in the service of Great Britain must have attracted him, but the justice of the colonial cause spoke more strongly to his sense of right and his well-ordered mind.

The great services of Hamilton were nearly all performed before he was forty years of age. His precocity was partly derived from his birth in the tropics and partly, perhaps, from the unfortunate conditions of his early life. A mystery hangs over his birth and parentage, which repeated inquiries have failed to clear away. He is believed to have been the son of James Hamilton, a Scottish merchant of Nevis, and a lady of French Huguenot descent, the divorced wife of a Dane named Lavine. But the history of his parents and their marriage is shrouded in much obscurity. The father, although reduced to poverty, lived nearly if not quite as long as his illustrious son, but the mother was reported to have died while Hamilton was only a child, leaving the memory of her beauty and charm

in one of the chambers of his infant mind. Hamilton sought in his later years to establish regular communication with his father, and he had a brother in the West Indies with whom he corresponded; but the fact that all these relatives remained so much in the background gave some color to the slanders of his enemies concerning his birth.

To offset the disadvantages of birth, Hamilton had neither the fascinating manners which go straight to the hearts of men, nor the imposing personal presence which in the orator often invests trifling platitudes with sonorous dignity. He was possessed of a light and well-made frame, and was erect and dignified in bearing, but was much below the average height. His friends were wont to call him "the little lion," because of the vigor and dignity of his speech. He had the advantage of a head finely shaped, large and symmetrical. His complexion was fair, his cheeks were rosy, and in spite of a rather large nose his face was considered handsome. His dark, deep-set eyes were lighted in debate with a fire which controlled great

audiences and cowed his enemies. But it was chiefly the power of pure intellect which gave him control over the minds of other men. There was nothing mean or low in his character, but he had not a high opinion of the average of humanity, and therefore lacked somewhat in that ready sympathy with the minds of others which is so useful to politicians and party leaders.

Hamilton was early thrown upon his own resources. His father became a bankrupt, and he was cared for by his mother's relatives. His education was aided by the Rev. Hugh Knox, a Presbyterian clergyman, with whom Hamilton kept up an affectionate correspondence in later years. The boy was only thirteen years of age when he was placed in the office of Nicholas Cruger, a West Indian merchant. Here his self-reliance and methodical habits made him master of the business and head of the establishment when his employer had occasion to be away. His remarkable capacity, and his occasional writings for the daily press, led to a determination by his relatives and friends to send

him to a wider field. He was accordingly supplied with funds and sent to Boston, where he arrived in October, 1772, still less than sixteen years of age. He was fortunately provided with some strong letters of recommendation from Dr. Knox, and was soon at a grammar school at Elizabethtown, N. J., where he made rapid progress. He desired to enter Princeton, but his project of going through the courses as rapidly as he could, without regard to the regular classes, was in conflict with the rules. He therefore turned to King's College, New York, now Columbia University, where he was able, with the aid of a private tutor, to pursue his studies in the manner which he wished.

The decision of Hamilton to take the side of the colonies in the conflict with England was made early in 1774, partly as the result of a visit to Boston. Among the well-to-do classes of New York, the dominant feeling was in favor of Great Britain, and the control of the Assembly was in the hands of the friends of the Crown. Hamilton found Boston the hotbed of resistance to England,

and listened attentively to the reasoning by which the "strong prejudices on the ministerial side," which he himself declares he had formed, gave way to "the superior force of the arguments in favor of the colonial claims." The opportunity soon came for him to make public proclamation of his position. A great meeting was held in the "Fields" ¹ (July 6, 1774), to force the hand of the Tory Assembly in the matter of joining the other colonies in calling a Congress. Hamilton attended, and after listening to the speeches was so strongly impressed with what was left unsaid that he worked his way to the platform and began an impassioned argument for the colonial side. Below the normal stature and of slender form, he looked even younger than his seventeen years, but was recognized by the crowd as a collegian and received with great enthusiasm.

✓ Hamilton was soon at the forefront of the

¹ The "Fields" of that day occupied what is now City Hall Park, then the upper limit of New York. King's College was in the immediate neighborhood, the name still lingering in College Place.

Kah!
Rah!
SIS
300 M
BAH

fight for civil liberty, which was carried on by means of pamphlets and newspaper addresses. His papers, which appeared without signature, showed so much ability that they were attributed to the most eminent of the patriot leaders. After the die was cast at Lexington for armed conflict, Hamilton early in 1776 received the command of a company of artillery. Its thorough discipline attracted the favorable notice of Greene and other leaders. Greene introduced Hamilton to Washington, who had early occasion, in the disastrous battle of Long Island, when Hamilton protected the rear with great coolness and courage, to measure the mettle of his young artillery officer.

Washington on March 1, 1777, offered Hamilton the rank of Lieutenant-Colonel on his staff. In this position Hamilton found congenial occupation for his pen in the great mass of letters, reports, and proclamations which issued from headquarters. These communications, many of which still survive, while bearing the impress of Wash-

ington's clear, directing mind, bear also the mark of the skill and logic of the younger man. Hamilton rendered valuable service after the surrender of Burgoyne, in persuading Gates to detach a part of his forces to aid Washington. On this occasion, although he had in his pocket a positive order from Washington, he displayed a tact and diplomatic skill which were unusual in his dealings with men. It fell to the lot of Hamilton to meet André while a prisoner in the hands of the Americans, and his letters regarding the affair to Miss Schuyler, who afterwards became his wife, are among the most interesting contributions to this pathetic episode of Revolutionary history.

Hamilton's quarrel with Washington, about which much has been written, came after nearly four years' service over a trivial delay in obeying a call from the General. Washington rebuked his aide for disrespect, to which Hamilton hotly retorted, "I am not conscious of it, sir; but since you have thought it, we part." Washington endeavored to prevent the execution of his project,

but Hamilton would not be reconciled and returned to service in the line. He led his men with great impetuosity upon one of the British redoubts at Yorktown, and carried the position in ten minutes, with much more promptness than the French, to whom the other redoubt had been assigned.

While the war was still in progress Hamilton was looking ahead with the constructive genius which afterwards found such wide opportunities in the cabinet of Washington. He addressed a letter in 1780 to Duane, a member of Congress, in which he made a remarkable analysis of the defects of the Articles of Confederation, urged that Congress should be clothed with complete sovereignty, and made suggestions regarding its powers which were afterwards embodied to a large extent in the Constitution. He addressed an anonymous letter to Robert Morris early in the same year, treating of the financial affairs of the confederacy. He discussed carefully the paper currency and the causes of its depreciation, and proposed to restore soundness to the finances by grad-

ual contraction of the volume of paper, a tax in kind, and a foreign loan, which was to form the basis of a national bank. When the clumsiness and helplessness of the system of government by committees was finally appreciated by the Continental Congress in 1781, and several executive departments were established, Hamilton was suggested by John Sullivan to Washington for head of the Treasury Department. Washington replied that "few of his age have a more general knowledge, and no one is more firmly engaged in the cause, or exceeds him in probity and sterling virtue." Robert Morris was chosen for the Treasury, but Hamilton opened a correspondence with him regarding the work of the department, which established a firm friendship between the older and younger man.

✓ Hamilton desired the unification of the debt and the creation of a national bank, for the combined objects of cementing the Union and putting the finances of the country upon a stable basis. "A national debt," he wrote, "if it is not excessive, will be a

national blessing, a powerful cement of union, a necessity for keeping up taxation, and a spur to industry." Whether all these benefits fall within the economic effects of a debt may well be doubted, but the second advantage assigned was undoubtedly one of the chief motives of Hamilton in recommending its creation. The Bank of North America was established by Morris upon a much more modest scale than was proposed by Hamilton. The younger man, looking to the future needs of the country and to the example of European banks, recommended an institution with a capital of ten or fifteen millions, with authority to establish branches, and with the sole right to issue paper currency equal to the amount of its capital. He contemplated a close relation between the bank and the government, and the taking up, under contract with the United States, of all the paper issues of the Continental Congress.

Hamilton made a connection while still under twenty-four which fixed his status as a citizen of New York, and proved of value

to him in many ways. While on his mission to Gates at Albany, he met Miss Elizabeth Schuyler, daughter of General Philip Schuyler, one of the social as well as political leaders of the best element in New York. The acquaintance with Miss Schuyler was renewed in the spring of 1780 and ripened into an engagement, followed by their marriage on December 14 of that year. With the conclusion of the war, Hamilton was left with nothing but his title to arrears of pay in the army, and with a wife and child to support. He refused generous offers of assistance from his father-in-law, applied himself for four months to the study of the law, and in the summer of 1782 was admitted to the bar at Albany. While waiting for clients he continued his studies on financial and political questions and his vigorous arguments through the public prints for a strong federal union. He declined several offers of public place, but finally accepted an appointment from Robert Morris (June, 1782) as continental receiver of taxes for New York. This afforded him an opportunity of meet-

ing the New York legislature, which had been summoned in extra session at Poughkeepsie, in July, to receive a report from a committee of Congress.

✓ Congress in May, 1782, had taken into consideration the desperate condition of the finances of the country, and divided among four of its members the duty of explaining the common danger of the states. It was at the request of the delegation which went north that Governor Clinton called an extra session, and a communication was submitted on the necessity of providing for a vigorous prosecution of the war. Hamilton went to Poughkeepsie to aid his father-in-law, General Schuyler, and it was upon the motion of the latter that the Senate resolved itself into a committee of the whole on the state of the nation. Two days of deliberation were sufficient to produce a series of resolutions, probably drafted by Hamilton, which were unanimously adopted by the Senate and concurred in by the House.

These resolutions set forth that recent experience afforded "the strongest reason

to apprehend from a continuance of the present constitution of the continental government a subversion of public credit" and danger to the safety and independence of the states. Turning to practical remedies, it was pointed out that the source of the public embarrassments was the want of sufficient power in Congress, particularly the power of providing a revenue. The legislature of New York, therefore, invited Congress "to recommend and each state to adopt the measure of assembling a general convention of the states especially authorized to revise and amend the confederation, reserving a right to the respective legislatures to ratify their determinations." These resolutions the government was requested to transmit to Congress and to the executives of the other states. Hamilton appeared before the legislature and discussed the subject of revenue, and one of the results of his manifest interest in the subject and his knowledge of finance was his selection by the legislature as one of the members of Congress from New York.

The impress of the organizing mind and far-sighted purposes of Hamilton was felt during his brief service in Congress. He took his seat from New York in November, 1782, and resigned in August, 1783. He cast his influence from the beginning in favor of a strong executive organization, and did his best to strengthen the heads of the recently created departments of finance and foreign affairs. He was of great service to Robert Morris, and almost carried the project of a general duty on importations, which was finally defeated by the obstinacy of Rhode Island. Such a measure, if carried out, would have afforded the central government a permanent revenue. It would have greatly mitigated the evils of the time, but would perhaps by that very fact have postponed the more complete union of the states which was to come under the Constitution of 1789. This was only one of the many projects germinating in the fertile mind of Hamilton. In a letter to Washington (March 17, 1783) he wrote:—

“We have made considerable progress in

a plan to be recommended to the several states for funding all the public debts, including those of the army, which is certainly the only way to restore public credit and enable us to continue the war by borrowing abroad, if it should be necessary to continue it."

That it might be necessary to continue the war Hamilton seriously feared, in spite of the fact that the provisional treaty of peace with Great Britain was then before Congress. A grave question had arisen whether faith had been kept with France in the negotiation of this treaty. Congress had resolved unanimously (October 4, 1782) that "they will not enter into any discussion of overtures of pacification but in *confidence* and in *concert* with His Most Christian Majesty," the King of France. Adams and Jay, against the advice of Franklin, negotiated secretly with Great Britain, and only the moderation of Vergennes, French Minister of Foreign Affairs, prevented serious friction between the allies.

Hamilton, though far from being a partisan of France, believed in acting towards her with the most scrupulous good faith. He advocated a middle course between subserviency to Great Britain and implicit confidence in the disinterestedness of France. He declared (March 18, 1783), when the peace preliminaries were considered, that it was "not improbable that it had been the policy of France to procrastinate the definite acknowledgment of our independence on the part of Great Britain, in order to keep us more knit to herself, and until her own interests could be negotiated." Notwithstanding this caution regarding French purposes, he "disapproved highly of the conduct of our ministers in not showing the preliminary articles to our ally before they signed them, and still more so of their agreeing to the separate article." His own view was expressed in some resolutions which he offered, and which Congress adopted (May 2, 1783), asking a further loan from the French King, "and that His Majesty might

be informed that Congress will consider his compliance in this instance as a new and valuable proof of his friendship, peculiarly interesting in the present conjuncture of the affairs of the United States."

II

THE FIGHT FOR THE CONSTITUTION

HAMILTON was not a conspicuous national figure during the four years which elapsed between the termination of his term in Congress and his appearance in the Federal Convention of 1787. He was working none the less earnestly and persistently, however, in favor of a stronger union. Movements towards this union took form almost simultaneously in different parts of the country under the impulse of a common need. The wise and thoughtful words of Washington, in his circular letter to the governor of each state on surrendering the command of the army (June 8, 1783), sank into many hearts, and did much to soften local prejudices against giving more power to the central government. The State of Virginia in December, 1783, ceded her northwestern territory to Congress, and granted a general

impost. Significance was given to the act by the policy of the governor in communicating it to the executive authority of the other states, with the suggestion that they do likewise.

Jefferson was as cordial a supporter as Madison at that time of the project of a federal union. As a member of Congress, he prepared a plan for intercourse with the powers of Europe and the Barbary States, in which he described "the United States as one nation upon the principles of the federal constitution." Only two states — Rhode Island and Connecticut — voted to substitute weaker words in describing the union. It was voted by eight states to two (March 26, 1784) that in treaties and in all cases arising under them, the United States formed "one nation." The need for uniform rules for the regulation of commerce on the Potomac and the creation of roads and canals led to a number of conferences during the next two years between Virginia and Maryland, in one of which Washington played the part of referee. The legislature

of Maryland finally took a step which shot a bright ray of light through the darkness surrounding the prospects of a permanent union. In a letter to the legislature of Virginia (December, 1785), it proposed that commissioners from all the states should be invited to meet and regulate the restrictions on commerce for the whole. Madison in Virginia gave cordial welcome to the invitation. He had already gone beyond the sentiment of his state in his zeal for union, but at his instigation a meeting of delegates from the states was called by Virginia at Annapolis, Md., for September, 1786.

Hamilton snatched at the opportunity which this invitation presented. Several of his friends were elected to the legislature of New York, and made the appointment of delegates to Annapolis their paramount object. In spite of much hostility, they succeeded in wresting authority from the legislature for a commission of five. Hamilton and Benson were the only two of these delegates who appeared at Annapolis. They found only four other states represented there. It

was determined that the best that could be done by the little gathering was to urge upon the states a general convention, to meet at Philadelphia on the second Monday of the next May, "to consider the situation of the United States, and devise such further provisions as should appear necessary to render the constitution of the federal government adequate to the exigencies of the Union." Hamilton was not a member of the committee appointed to prepare the report, but it was his draft which, with some modifications to meet the sensibilities of the Virginians, was accepted and adopted.

A path was now blazed in which those who favored a stronger union could walk in harmony. Hamilton returned to New York with the intention of exerting his whole strength in behalf of the convention. He secured an election to the legislature, and at once took the lead of the members opposed to the separatist policy of Governor Clinton. He assailed the governor on the question of granting an impost to Congress in a practicable form, but was beaten by the solid vote

of the party in power. He succeeded better with his resolution for the appointment of five delegates to the convention at Philadelphia. The Senate cut down the number to three, and two of them—Chief Justice Robert Yates and John Lansing, Jr.—were resolute supporters of the governor; but Hamilton carried the vital point that New York should be represented in the Federal Convention, and he was himself one of the delegates. It was not until late in February, 1787, that this action was taken,—little more than three months before the meeting of the convention,—and it was a few days later when formal approval was given to the project by the Federal Congress.

Hamilton, although one of the three delegates from New York to the convention, was embarrassed throughout the proceedings by the open hostility of his associates to any vigorous steps towards a strong union. He had definite ideas and strong feelings, however, and could not restrain himself from setting forth his views of what the new government should be. When Dickinson pro-

posed that the convention should seek union through a revision of the old Articles of Confederation, Hamilton took the floor (June 18, 1787) to show how inadequate such a measure would be, and to set forth his own long matured views. He spoke for six hours, reviewing the history of the colonies before the Revolution, during its progress, and afterwards, the steps which had been taken towards union, and the imperative necessity which had been disclosed for a government possessing complete powers within its fields of action. He urged that the convention "adopt a solid plan without regard to temporary opinions." He laid bare unsparingly the defects of the confederacy, and insisted that the Articles of Confederation could not be amended with benefit except in the most radical manner. He opposed strongly the creation of a general government through a single body like Congress, because it would be without checks. He continued: —

"The general government must not only have a strong soul, but strong organs by which that soul is to operate. I despair

*favor
became
realism*

that a republican form of government can remove the difficulties ; I would hold it, however, unwise to change it. The best form of government, not attainable by us, but the model to which we should approach as near as possible, is the British constitution, praised by Necker as ‘the only government which unites public strength with individual security.’ Its house of lords is a most noble institution. It forms a permanent barrier against every pernicious innovation, whether attempted on the part of the crown or of the commons.”

Hamilton made little concealment of his belief that the new government should not be exclusively republican. He said on June 26, 1787 : —

“ I acknowledge I do not think favorably of republican government ; but I address my remarks to those who do, in order to prevail on them to tone their government as high as possible. I profess myself as zealous an advocate for liberty as any man whatever ; and trust I shall be as willing a martyr to it, though I differ as to the form in which it is

most eligible. Real liberty is neither found in despotism nor in the extremes of democracy, but in moderate governments. Those who mean to form a solid republic ought to proceed to the confines of another government. If we incline too much to democracy, we shall soon shoot into a monarchy."

In pursuance of these views, Hamilton urged that all branches of the new government should originate in the action of the people rather than of the states. In this respect he came closer to democracy than some of his opponents, but he proposed to give strength and permanence to the government by providing that the Senators and the executive should hold office during good behavior. He contended that by making the chief executive subject to impeachment, the term monarchy would not be applicable to his office. Another step differing radically from the Constitution as adopted, and showing the unswerving purpose of Hamilton to give supremacy to the central government, was the proposal that the executive of each state should be appointed by the general

government and have a negative on all state legislation.

Hamilton had no expectation that his plan would be adopted. What he sought was to key the temper of the delegates up to a pitch which would bring them as nearly to his ideal of what the new government should be as was possible under the circumstances of the times. His long speech was attentively listened to, and even Yates reported that it "was praised by everybody, but supported by none." Notwithstanding these criticisms, the Constitution, as it was finally adopted, embodied many of the features of the project which was outlined by Hamilton. A legislative body of two houses, the choice of the executive by electors, a veto for the executive over legislative acts, the grant of the treaty-making power to the executive and the Senate, the confirmation of appointments by the Senate, the creation of a federal judiciary, and the provision that state laws in conflict with the Constitution should be void; these and many other features of the existing Constitution were parts of the plan of Hamilton.

It was not the open preference which Hamilton expressed for the British form of government which caused distrust of his plan. This was neither startling nor offensive to the great majority of those who heard him. Representative government under a republican head had not then been tried upon a large scale in any part of the world. Such small republics as existed in ancient times and in Italy had been confined within narrow areas, and had in many cases presented examples of factional strife which were far from encouraging to the friends of liberty. The Americans, in revolting against Great Britain, revolted only against what they considered the false interpretation given by King George to the guarantees of the English constitution, wrested by their ancestors from King John and his successors and consecrated by the Revolution of 1688. It was far from the thoughts of the most extreme, with perhaps an occasional personal exception, to cut loose from the traditions of English liberty, tear down the ancient structure, and build from the ground up, as was

done a few years later in France by the maddened victims of the oppression of the nobles.

The sentiment most strongly opposed to the views of Hamilton was not democratic sentiment, in the strictest sense of the word, but devotion to local self-government. Hamilton was democratic enough to insist, in the discussion of the manner of choosing members of the House of Representatives, "It is essential to the democratic rights of the community that the first branch be directly elected by the people." What he desired was strength at the centre of authority, from whatever source that authority was derived. Coming from a little West Indian island where the traditions of parliamentary government had little footing, he attached no such importance as most of his associates to the reserved rights of the states. He was the man for the hour as the champion of a strong government, but it would not have been fortunate in some respects if his views had been adopted in their extreme form. There never was the slightest chance,

as he doubtless knew, that they would be adopted by the descendants of English free-men who had founded self-governing states in accord with their own principles on the western shores of the Atlantic.

Having delivered a single strong speech, which pointed the way towards a strong union, Hamilton remained comparatively in the background during the remainder of the convention. It was inevitable, however, that he should make himself heard upon the proposal that the new government should have power "to emit bills on the credit of the United States." The power to issue unfunded paper had received his censure four years before, as one of the defects of the existing Articles of Confederation. He now opposed in the most emphatic manner the grant of authority to the new government to issue paper money in the form of its own notes, and to force them into circulation as a substitute for gold and silver coin. When Gouverneur Morris moved to strike out the power to issue bills on the credit of the United States and was supported by Madi-

son, it was supposed that, if the motion prevailed, the power to issue government paper money and make it a legal tender for debts was guarded against for all time. The power was stricken out of the Constitution by a vote of nine states against two. Madison decided the vote of Virginia, and declared that "the pretext for a paper currency, and particularly for making the bills a tender, either for public or private debts, was cut off." It is not surprising that Mr. Bancroft, the jealous friend of the Constitution, in spite of the opening of the door at a later period by the Supreme Court of the United States, declared :

"This is the interpretation of the clause, made at the time of its adoption alike by its authors and by its opponents, accepted by all the statesmen of that age, not open to dispute because too clear for argument, and never disputed so long as any one man who took part in framing the Constitution remained alive."

Hamilton spoke on a few other occasions on subsidiary points connected with the

draft of the Constitution, but it was only at the close of the convention that he again came resolutely to the front to exert a strong influence over his associates. When the final draft of the new frame of government had been completed, several delegates showed symptoms of refusing to affix their signatures. The great weight of Franklin was thrown into the scale to urge that the delegates go back to the people presenting the semblance of harmony instead of divisions. "I consent to this Constitution," he declared, "because I expect no better, and because I am not sure that it is not the best." Washington sought also to secure unanimity, and Hamilton declared : —

"I am anxious that every member should sign. A few by refusing may do infinite mischief. No man's ideas are more remote from the plan than my own are known to be ; but is it possible to deliberate between anarchy and convulsion on the one side, and the chance of good to be expected from the plan on the other ? "

Such words had some weight, but not

enough to secure unanimity. All the states voted for the Constitution, but several delegates went on record against it, and Hamilton's two associates from New York were absent. It was this alone which saved New York from being recorded against the Constitution. Hamilton did not shrink from putting down his signature as the representative of his state. It was he who, in a bold, plain hand, inscribed on the great sheet of parchment the name of each state, as the delegations came forward, one after another, in geographical order and affixed their signatures to the precious document which was to found the government of the United States.

Hamilton returned to New York determined to use his utmost powers to secure the ratification of the Constitution as the best attainable means of averting the dangers of disunion. Although cordially supported by John Jay and Edward Livingston, Hamilton, in the fight for ratification in New York, was the natural leader. He found arrayed against him the whole influ-

ence of Governor Clinton and the dominant party in New York politics. Clinton was not absolutely opposed to union, but he attached to it so many reservations that for practical purposes he was an opponent of the new Constitution. The battle over ratification began on the question of the choice of delegates to the state convention. It was in this field that Hamilton fought the great fight with his pen which has left to posterity the fine exposition of the Constitution known as "The Federalist." A society was formed in the city of New York to resist the adoption of the Constitution, and articles soon began to appear in the local press criticising and opposing it.

Preparing a vigorous letter, while gliding down the Hudson, in reply to some of the first points of the opposition, Hamilton soon extended the project into a series of strong papers, which appeared twice a week for twenty weeks over the signature of "Publius." He secured the aid of Madison and Jay, who wrote some of the papers, but the project was Hamilton's, the majority of

the papers were written by him, and to him has been justly given the credit of the well-knit and powerful arguments afterwards printed under the title of "The Federalist."

Taking up point by point the provisions of the new Constitution, Hamilton, by skillful argument, drawn from the closest abstract reasoning, the recent experience of the states, and the history of foreign countries, sought to show that the new Constitution was based upon sound principles of government, that it was well calculated to carry out these principles, and that its acceptance was practically the only course open to the American people to insure for themselves the benefits of liberty, prosperity, and peace. "The Federalist," although a purely political argument, has survived the occasion which called it forth, as one of the master documents of political writing. That it has a distinct place in literature is admitted by so severe a critic as Professor Barrett Wendell in his recent "Literary History of America." It is worth while quoting his acute literary judgment of its merits: —

“As a series of formal essays, the ‘Federalist’ groups itself roughly with the ‘Tatler,’ the ‘Spectator,’ and those numerous descendants of theirs which fill the literary records of eighteenth century England. It differs, however, from all these, in both substance and purpose. The ‘Tatler,’ the ‘Spectator,’ and their successors dealt with superficial matters in a spirit of literary amenity: the ‘Federalist’ deals in an argumentative spirit as earnest as that of any Puritan divine with political principles paramount in our history; and it is so wisely thoughtful that one may almost declare it the permanent basis of sound thinking concerning American constitutional law. Like all the educated writing of the eighteenth century, too, it is phrased with a rhythmical balance and urbane polish which give it claim to literary distinction.”

While the written arguments of Hamilton in “The Federalist” have survived for a hundred years and been consulted by foreign students in the formation of new constitutions, a more severe task was im-

posed upon him at the meeting of the state convention called to consider the report of the convention at Philadelphia. It was in some respects the hardest task ever set with any hope of success before a parliamentary leader. Indeed, to the superficial observer there would have seemed to be no hope of success, when in the elections to the state convention the supporters of Governor Clinton chose forty-six delegates and left on the side of Hamilton only nineteen of the sixty-five members. But this statement of the case gives a somewhat darker color to the situation than the real facts. There was a strong and growing body of public sentiment for the Constitution in New York city and the counties along the Hudson, which even led to the suggestion that they should join the Union in any event and leave the northern counties to shift for themselves. It was generally recognized, moreover, that however strong the objections were to the Constitution, the choice lay practically between this Constitution and none, — between the proposed government and anarchy.

So strong was the sentiment that the Constitution must be accepted in some form, that its opponents in the state convention did not venture upon immediate rejection. Fortunately, their course in fighting for delay only tended to make it clearer that New York would stand alone if she failed to ratify. While the dream of independent sovereignty, or the leadership in a federation which should dictate terms to the surrounding states, was not without its attractions to the more ambitious of the opposition leaders, there was a darker side to the proposition which was much less attractive. Independence for New York meant a heavy burden of taxation for a separate army and navy, for guarding long frontiers on the east, north, and south, for supporting an extensive customs service along the same frontiers, for maintaining ministers at foreign courts and consuls in the leading cities of the world, and for meeting all the other expenses of a sovereign nation.

It was fortunate for the state and the

country that the leader of the opposition to the Constitution in the New York convention was a man of a high order of ability, whose mind was open in an unusual degree to the influence of logical reasoning. This man was Melancthon Smith, who is accorded by Chancellor Kent, the great authority on American law, the credit of being noted "for his love of reading, tenacious memory, powerful intellect, and for the metaphysical and logical discussions of which he was a master." It is as much to his credit as that of Hamilton that he finally admitted that he had been convinced by Hamilton, and that he should vote for the Constitution. This result was only reached, however, after a long and sometimes acrimonious struggle, in which Hamilton was on his feet day after day explaining and defending each separate clause of the Constitution, — not only in its real meaning, but against all the distorted constructions put upon it by the most acute and jealous of critics.

But events had been fighting with Hamil-

ton. State after state had ratified the new document, and news of their action had reached New York. Nine states, the number necessary to put the Constitution in force, were made up by the ratification of New Hampshire (June 21, 1788). Still New York hesitated, and Hamilton wrote to Madison: "Our chance of success depends upon you. Symptoms of relaxation in some of the leaders authorize a gleam of hope if you do well, but certainly I think not otherwise." Virginia justified his hopes by a majority of 89 against 79 for ratification (June 25, 1788). The news reached New York on July 3. The opposition there, though showing signs of relenting, was still stubborn. Conditional ratification, with a long string of amendments, was first proposed. Jay firmly insisted that the word "conditional" must be erased. Finally, on July 11, he proposed unconditional ratification. Melancthon Smith then proposed ratification with the right to withdraw if the amendments should not be accepted. Hamilton exposed the folly of

such a project in a brilliant speech, which led Smith to admit that conditional ratification was an absurdity. Other similar proposals were brought forward, but they were evidently equivalent to rejection by indirection, which would have left New York out of the new Union.

Finally, Samuel Jones, another broad-minded member of the opposition, proposed ratification without conditions, but "in full confidence" that Congress would adopt all needed amendments. With the support of Smith, this form of ratification was carried by the slender majority of three votes (July 26, 1788). By this narrow margin it was decided that New York should form a part of the Union, and that the great experiment in representative government should not begin with the two halves of the country separated by a hostile power, commanding the greatest seaport of the colonies.

Hamilton thus played an important part in winning the first great battle for the Constitution. Ratification was only one of many steps which remained to be taken

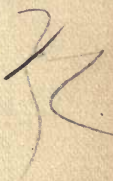
before the new government was in working order. Hamilton hurried back to the Federal Congress, and carried an ordinance fixing the dates and the place for putting the new government in operation. When he returned to New York, he was beaten for reelection to Congress, and Governor Clinton and his party retained such a firm grip upon the legislature that a deadlock occurred between the Federalist House and the opposition Senate. New York was unrepresented in the first electoral college, and had no senators at the meeting of the First Congress. The state elections which followed resulted in defeat for the Federalists in the election of the governor, but they carried the legislature and elected two senators, — General Schuyler and Rufus King. King had recently come from Massachusetts, and Hamilton's insistence that he should be chosen caused a breach with the Livingstons, which contributed to the defeat of Schuyler two years later and the election of Aaron Burr. Hamilton's course in this matter was one of many cases in which he

showed that he was not an astute politician, nor an adept at dealing with men. His highest qualities were those more distinctly intellectual, which led him to drive straight towards a desired object, with little patience for smaller men or the obstacles which stood in his way.

III

✓ ESTABLISHING THE PUBLIC CREDIT

THE great work of Hamilton, which was to stamp his name forever upon American history and our frame of government, was yet before him. Washington was inaugurated in April, 1789, but it was not until September 2 that an act passed Congress establishing the Treasury Department. Hamilton was the selection of Washington for the new post. It was a selection so well approved by all who were familiar with Hamilton's great abilities as an organizer and financier that the nomination was confirmed on the day that it reached the Senate. The studies of many years, the programme which had been outlined in letters to Morris and in the newspapers, were now to bear fruit under the directing genius of Hamilton. Only ten days passed after his appointment before Congress requested him to prepare a



report upon the public credit. Then came calls for reports on the collection and management of the revenue; estimates of receipts and expenditures; the regulation of the currency; the navigation laws; the post-office, and the public lands. Money had to be found at once for the pressing needs of the new government before the more elaborate projects of the young minister of finance could be put in operation. But Hamilton did not delay long even for the more important and permanent work. When Congress met in January, he submitted his celebrated report "On Public Credit," which laid the corner-stone of American finance under the Constitution.

This report of Hamilton's on the public credit has long stood out as one of the master state papers of American history. Read to-day in the light of the economic progress of more than a century, its conclusions are not entirely novel, but are in the main clear and sound. To obtain a proper perspective regarding their value, the mind should be projected back to the beginning of 1790, when

political economy as a science had barely been born, and the work of Adam Smith, although about fourteen years old, was probably known to but few in America. Many public men of to-day with the proper preliminary training might evolve as sound a report as that of Hamilton, but no ordinary man could have done it a hundred and ten years ago, and few men could do it to-day with the force of diction, precision and directness of statement, the grasp of principles, and the mastery of detail which marked the work of Hamilton.

He seemed to gather in his hands all the tangled threads of the disordered finances of the Continental Congress and of the states and show how they could be woven into a band of strength and symmetry, holding together by the motive of enlightened self-interest all the parts of the new Union. He proposed to plant the public credit upon a firm foundation, satisfy the public creditors, and put the nation on the high road to industrial and financial progress. The difficulties which Hamilton confronted were not

merely a bankrupt Treasury and a loose system of finance under the federal government, but large expenditures by the states for carrying on the Revolutionary War, for which reimbursement was demanded by the states which had spent the most and was opposed by those which had spent the least. Hamilton endeavored to show that all would gain by the assumption of these debts by the federal government. Although a thinker rather than a tactician, he was shrewd enough to make an appeal early in his report to all men engaged in industry by pointing out the importance of public credit upon the volume and profits of private business. He endeavored first to make clear the benefit to any government of a sound fiscal system. He said upon this point: —

“As, on the one hand, the necessity for borrowing in particular emergencies cannot be doubted, so, on the other, it is equally evident that to be able to borrow upon good terms, it is essential that the credit of a nation should be well established. For, when the credit of a country is in any degree

questionable, it never fails to give an extravagant premium, in one shape or another, upon all the loans it has occasion to make. Nor does the evil end here; the same disadvantage must be sustained upon whatever is to be bought on terms of future payment. From this constant necessity of borrowing and buying dear, it is easy to conceive how immensely the expenses of a nation, in the course of time, will be augmented by an unsound state of the public credit."

Taking up the demonstration how closely the public credit is linked with the fortune of the individual, Hamilton points out that public securities are a part of the medium of exchange, that sound credit will extend trade by preventing the export of money, and that agriculture and manufactures will be promoted because "more capital can be commanded to be employed in both," and that the interest of money will be lowered.

Hamilton took up and punctured in his report several fallacies regarding the treatment of the debt which had obtained lodgment in the public mind and threatened to

influence the action of Congress. One of these was that a distinction should be made between those holders of the debt to whom it was originally issued and those who had acquired it by purchase. As the latter holders had bought the debt in some cases at a mere fraction of its face value and for speculative purposes, the specious argument was made that they were entitled in the settlement with the government only to what they had paid the original holders. Hamilton set himself to dissipate this prejudice by showing that the man who had been willing to purchase the public debt might be quite as patriotic as the man who had parted with it for a price. He suggested that if the debt was thus purchased in the confidence that it would rise to par, the act was a proof of the patriotism of the purchaser, and it would be a sorry return for this confidence to make it a reason for discrimination against him.

But much more important from the public point of view, he pointed out, was the sanctity of contracts guaranteed by the new Constitution, and absolutely required to give a

stable character to the securities of the government. If the government were to discriminate between the original holders of the debt and other holders, he made it clear that a degree of discredit would be cast on all the obligations of the United States, no matter in whose hands they were found, which would tend to defeat the end and aim of all his measures, — the restoration of public credit. Upon this point he said : —

“ The nature of the contract, in its origin, is, that the public will pay the sum expressed in the security, to the first holder or his assignee. The intent in making the security assignable is, that the proprietor may be able to make use of his property, by selling it for as much as it may be worth in the market, and that the buyer may be safe in the purchase.

“ Every buyer, therefore, stands exactly in the place of the seller, has the same right with him to the identical sum expressed in the security, and having acquired that right, by fair purchase, and in conformity to the original agreement and intention of the

government, his claim cannot be disputed without manifest injustice.

.

“The impolicy of a discrimination results from two considerations: one, that it proceeds upon a principle destructive of that quality of the public debt, or the stock of the nation, which is essential to its capacity for answering the purposes of money; that is, the security of transfer; the other, that, as well on this account as because it includes a breach of faith, it renders property in the funds less valuable, consequently induces lenders to demand a higher premium for what they lend, and produces every other inconvenience of a bad state of public credit.”

One of the most serious obstacles which confronted Hamilton in carrying out his financial policy was the opposition to the assumption by the new federal government of the debts of the several states incurred in the prosecution of the war. The states which had been remiss in paying their quota for the general expenses and those which had

not been called upon to pay much for local defense did not see why a burden should be imposed upon them, even in equitable proportion with the other states, for the purpose of relieving those states which had been prompt with their payments or had been compelled to spend freely for the protection of their own boundaries and people. This prejudice Hamilton faced with the same clear vision and resolute purpose as that against providing for the debt of the Union. He set forth at the outset that if these debts were to be paid at all, whether by the states or by the Union, "it will follow that no greater revenues will be required, whether that provision be made wholly by the United States, or partly by the states separately." He pointed out that the control of the entire matter by the federal government would secure uniformity of treatment for the public creditors, would prevent competition between the Union and the states for the sources of the revenue, which otherwise might cause collision and confusion, and would secure a distribution of taxation more just to industry

in all the states. The assumption of the state debts, moreover, he insisted was vital to the credit of the Union. Upon this head, and upon the equity of charging to the Union of the states the debts which had been incurred for the benefit of all, Hamilton observed : —

“ Should the state creditors stand upon a less eligible footing than the others, it is unnatural to expect they would see with pleasure a provision for them. The influence which their dissatisfaction might have could not but operate injuriously, both for the creditors and the credit of the United States. Hence it is even the interest of the creditors of the Union, that those of the individual states should be comprehended in a general provision. Any attempt to secure to the former either exclusive or peculiar advantages would materially hazard their interests. Neither would it be just that one class of the public creditors should be more favored than the other. The objects for which both descriptions of the debt were contracted are in the main the same. Indeed, a great part

of the particular debts of the states has arisen from assumptions by them on account of the Union. And it is most equitable, that there should be the same measure of retribution for all.

.

“The general principle of it seems to be equitable, for it appears difficult to conceive a good reason why the expenses for the particular defense of a part, in a common war, should not be a common charge, as well as those incurred professedly for the general defense. The defense of each part is that of the whole, and unless all the expenditures are brought into a common mass, the tendency must be to add to the calamities suffered by being the most exposed to the ravages of war, an increase of burthens.”

Hamilton found the public debt of the Union to be \$54,124,464.56. This would not be a formidable debt to-day, even with full allowance for the difference in population, but it was formidable for that time because of the comparative poverty of the country, and the scanty resources for paying

it. The great increase in the productive power of man in our time, by means of machinery, improved means of communication, and other devices for saving labor and increasing its efficiency, makes it easy for prosperous nations to bear taxation without feeling the burden which would have paralyzed industry and arrested national progress a century ago. The United States in 1790 were not far beyond the primitive condition in which the entire sum of production is required for the necessities of existence, and little is left for the luxuries of life and of state enterprise.

The total of the debt, as computed by Hamilton, was made up by adding the foreign debt, \$10,070,307, with arrears of interest amounting to \$1,640,071.62, to the principal of the domestic debt, \$27,383,917.74, with arrears of interest amounting to \$13,030,168.20, and estimating the unliquidated debt at \$2,000,000. The amount of the state debts he was not able to ascertain with precision, but estimated at about \$25,000,000. This made the total debt to

be dealt with something more than \$75,000,000. The annual interest required at the rates provided in the contract would amount to \$542,599.66 on the foreign debt, and \$4,044,845.15 on the domestic debt, including that of the states, making a total of \$4,587,444.81. While urging the most conscientious fulfillment of obligations, Hamilton admitted that this demand would require the extension of taxation to a degree and to objects which the true interests of the public creditors themselves forbade. "It is therefore to be hoped," he said, "and even to be expected, that they will cheerfully concur in such modifications of their claims, on fair and equitable principles, as will facilitate to the government an arrangement substantial, durable, and satisfactory to the community."

This arrangement he did not propose to reach by repudiating any portion of the debt. He proposed to reduce the rate of interest, in course of time, in accordance with the decline in the rate for the rental of capital abroad, but to those holders of the debt who

desired settlement in full at the old rates of interest, he made liberal offers. A number of optional plans for accepting funds at different rates of interest for different terms were presented, which it is not necessary to set forth in detail. The statement of the first two will give an idea of their general character: —

“First, That, for every hundred dollars subscribed, payable in the debt, (as well interest as principal,) the subscriber be entitled, at his option, either to have two-thirds funded at an annuity or yearly interest of six per cent., redeemable at the pleasure of the government, by payment of the principal, and to receive the other third in lands in the western territory, at the rate of twenty cents per acre. Or, to have the whole sum funded at an annuity or yearly interest of four per cent. irredeemable by any payment exceeding five dollars per annum, on account both of principal and interest, and to receive, as a compensation for the reduction of interest, fifteen dollars and eighty

cents, payable in lands, as in the preceding case."

Hamilton thus reserved the right to redeem the debt at the pleasure of the government, when new securities could be floated at reduced rates. This was in accordance with the enlightened policy of governments before and since in availing themselves of the increase of capital and the improved condition of the public credit. The holder of the public funds could find no fault if he received back his principal, while an attractive investment at current rates of return upon capital would be offered to new investors in the form of funds at a reduced rate of interest, if such new funds were not acceptable to the old holders of the debt.

The proposal for using the public lands in part settlement of the debt was a happy device for employing a resource of immense value to the country, and promoting early settlement of the great areas of uncultivated land which became the property of the Union. It was in pursuance of this compre-

hensive policy that Connecticut, Virginia, and other states had ceded to Congress, even before the adoption of the Constitution, their indefinite claims to the great stretches of country between the Allegheny Mountains and the Mississippi.

IV

CONGRESS SUSTAINS HAMILTON

THE plans of Hamilton having been formulated, it remained to be determined whether they should be adopted by the law-making power or should remain a splendid but abortive monument to the constructive skill of their author. Vigorous opposition was expected by Hamilton to the measures which he proposed. He had endeavored to meet and disarm such opposition as far as possible in the careful and illuminating language of his report, but it soon became evident that against nearly all parts of it a bitter and persistent battle would be waged. The owners of capital and the commercial element were represented in the Northern and Eastern States rather than in the South, and the representatives of the former states strongly supported from the first the entire policy of the Secretary of the Treasury.

Rumors were already abroad that something was to be done to restore the national credit, but it was not until the reading of Hamilton's report in the House (January 14, 1790) that the full scope of his plans was made manifest.

The effect of the report was so favorable upon the public credit as to forge weapons for its enemies. This came about through the sudden rise in the public funds, and the promptness with which speculators bought them up from holders who were ignorant of their value. Funds which would have been gladly disposed of at three shillings to the pound, or fifteen per cent. of their face value, at any time within the previous three years, rose before noon the next day fifty per cent. of their quoted price. It was not yet certain that the project would be adopted by Congress, but shrewd men were willing to discount the future in much the same manner that brokers in Wall Street do at the present time. The absence of a well-organized stock market, with the ramifications of telegraphic quotations throughout the Union,

put in the hands of the more daring of these speculators an opportunity to avail themselves of the ignorance of others to an extent which would not be possible to-day.

Agents were soon scouring the country, buying up the certificates of the debt in all its varied forms, before the news of Hamilton's great report had reached the humble holders, some of whom were old soldiers or quiet farmers who had been compelled to furnish supplies for the army. Jefferson says in his *Anas* : —

“Couriers and relay horses by land, and swift-sailing pilot-boats by sea, were flying in all directions. Active partners and agents were associated and employed in every state, town, and county, and the paper bought up at five shillings, and even as low as two shillings in the pound, before the holder knew that Congress had already provided for its redemption at par.”

This sudden and remarkable effect of Hamilton's recommendations put weapons in the hands of the enemies of the project, because it seemed to give force to their argu-

Copy of

1789

}

✓

ment that a distinction should be made between those to whom the debt was originally issued at par and the new holders who had obtained it at a discount. Long and bitter were the debates in the House over this and other branches of Hamilton's project. But it was so obvious that a distinction between the holders of the debt would run directly counter to its character as negotiable paper, and would be almost impossible of just execution, that the friends of the funding project easily had the best of the argument. Madison, although inclined to oppose Hamilton, was forced to admit that the debt must be funded at par without discrimination. He brought forward a project to pay the original holders the difference between par and the price at which they had sold, and to pay to the present holders only what they had paid for the securities. This was shown to be so impracticable that only thirteen votes were given for it in a House of forty-nine members voting. The advocates of the entire funding project carried it in committee of the whole (March 9, 1790) by a vote of 31 to 26.

The debates had so strengthened the position of Hamilton that the wisdom of funding the debt of the Union at par was now generally admitted. His opponents and those who feared too great a concentration of power in the capitalist class and the central government made their stand on the proposal to assume the state debts. When the resolution reported by the committee of the whole was taken up in the House on March 29, several representatives from North Carolina appeared in the House and swelled the ranks of the opposition. North Carolina had been late in accepting the Constitution, and her members had not been present on previous votes. When, therefore, a motion to recommit the financial projects was made, it was carried by a vote of 29 to 27. The advocates of assumption were so indignant, and so convinced that one part of the project was as vital as the other, that they voted to recommit the original funding resolution. Further debate, took place, but without shaking the firmness of the opposition to the assumption of the

state debts. The project was rejected in committee (April 12) by a vote of 31 to 29.

The situation was a grave one. Hamilton felt that the future of the Union was at stake. If his projects were not adopted substantially as a whole, the new government would be without credit and the work of the Convention of 1789 would be in vain. The government at Washington would be as helpless as the Continental Congress and its committees had been. This opinion was shared by all those who favored a vigorous central government, and practically by all the members of the party in Congress which was forming in support of the measures of Hamilton and looking to him as their leader. While casting about for some means for meeting the emergency, Hamilton fell upon a plan which represents one of the few cases in which he had recourse to diplomacy in his public career. The question of the location of the national capital had been for some time pending in Congress. It had already become involved with the assumption of the

state debts. A strong bid had been made by the opponents of assumption for the five votes of Pennsylvania by the offer to locate the capital for fifteen years at Philadelphia.

The importance of having Congress and its officials in a given city represented more at that time, in spite of the small size of the body and the relative insignificance of the interests before it, than would be the case to-day with either of the great commercial cities of New York, Boston, or Philadelphia. Local interests played the same part then as now in political manœuvring, and possession of the capital looked larger in the eyes of some members than the financial policy of the Union. In the sarcastic language of Professor McMaster, "The state debts might remain unpaid, the credit of the nation might fall, but come what might, the patronage of Congress must be drawn from New York and distributed among the grog-shops and taverns of Philadelphia."

Hamilton took advantage of this situation to save assumption and to fix the financial

policy of the United States. The Senate had rejected the proposal to establish the capital at Philadelphia, and when the project came back to the House, Baltimore was substituted by a majority of two. The Pennsylvanians and their friends in the Senate retaliated by mutilating the funding bill and daring the assumptionists to reject it. The latter held to their position and rejected the bill, 35 to 23. It was while matters were in this acute stage, while threats were made on behalf of the North that the Union would be broken up if assumption were not carried, that Hamilton one day in front of the President's house met Thomas Jefferson. Jefferson had recently returned from France to assume the position of Secretary of State. What followed is best told in Jefferson's own words, because he afterwards claimed that he had been "duped" by Hamilton and acted without knowledge of the effect of what he was doing. Jefferson's account of the matter is as follows: —

"As I was going to the President's one day, I met him (Hamilton) in the street.

He walked me backwards and forwards before the President's door for half an hour. He painted pathetically the temper into which the legislature had been wrought; the disgust of those who were called the creditor states: the danger of the *secession* of their members, and the separation of the states. He observed that the members of the administration ought to act in concert; that though this question was not of my department, yet a common duty should make it a common concern; that the President was the centre on which all administrative questions ultimately rested, and that all of us should rally around him, and support, with joint efforts, measures approved by him; and that the question having been lost by a small majority only, it was probable that an appeal from me to the judgment and discretion of some of my friends might effect a change in the vote, and the machine of government, now suspended, might be again set into motion. I told him that I was really a stranger to the whole subject; that not having yet informed my-

self of the system of finance adopted, I knew not how far this was a necessary sequence ; that undoubtedly, if its rejection endangered a dissolution of our Union at this incipient stage, I should deem that the most unfortunate of all consequences, to avert which all partial and temporary evils should be yielded. I proposed to him, however, to dine with me the next day, and I would invite another friend or two, bring them into conference together, and I thought it impossible that reasonable men, consulting together coolly, could fail, by some mutual sacrifices of opinion, to form a compromise which was to save the Union. The discussion took place. I could take no part in it but an exhortatory one, because I was a stranger to the circumstances which should govern it. But it was finally agreed, that whatever importance had been attached to the rejection of this proposition, the preservation of the Union and of concord among the states was more important, and that, therefore, it would be better that the vote of rejection should be rescinded, to effect which some members

should change their votes. But it was observed that this pill would be peculiarly bitter to the Southern States, and that some concomitant measure should be adopted to sweeten it a little to them. There had been projects to fix the seat of government either at Philadelphia or at Georgetown on the Potomac; and it was thought that by giving it to Philadelphia for ten years, and to Georgetown permanently afterwards, this might, as an anodyne, calm in some degree the ferment which might be excited by the other measure alone. Some two of the Potomac members (White and Lee, but White with a revulsion of stomach almost convulsive) agreed to change their votes, and Hamilton undertook to carry the other point. In doing this, the influence he had established over the eastern members, with the agency of Robert Morris with those of the Middle States, effected his side of the engagement."

Hamilton had little of the state pride which influenced the men of Massachusetts, New York, Virginia, or of any other state

who had grown up on the soil won by their English ancestors by their blood or the sweat of their brows. To him the question of the location of the capital seemed insignificant in comparison with the foundation of the Union upon the rock of a comprehensive financial policy. It is significant of the commanding influence which the young secretary had acquired, and the well-knit party which was gathering around him, that he had no difficulty in carrying his part of the programme for seating the capital eventually on the banks of the Potomac. The bill to remove the capital was passed on July 9, 1790, by a majority of three, and the assumption of the state debts was carried soon after. The form of the assumption differed somewhat from the proposal of Hamilton, but it accomplished the result at which he aimed. A specific sum, \$21,500,000, was assumed by the government and distributed among the states in set proportions. The project passed the Senate July 22, by a vote of 14 to 12, and the House on July 24, by a vote of 34 to 28. A great step was thus

taken in the consolidation of the Union, and notice was given to the world that the United States proposed to pay their debts and fulfill with scrupulous honor their financial obligations.

V

STRENGTHENING THE BONDS OF UNION

THE funding of the debt was only one of several parts of the policy of Hamilton for putting the new government upon a solvent and firm basis. The session of Congress which began in December, 1790, witnessed the presentation of his report in favor of a national bank. This report, like that on the debt, showed careful study of the subject in its theoretical as well as practical aspects. Hamilton referred in opening to the successful operation of public banks in Italy, Germany, Holland, England, and France. He then went on to point out some of their specific advantages in concentrating capital and permitting the easy transfer of credit. He declared that such a bank would afford "greater facility to the government, in obtaining pecuniary aid, especially in sudden emergencies." It would also facilitate the

STRENGTHENING BONDS OF

payment of taxes, by enabling
to borrow from the bank and by
which it would give in the transfer of fun
He did not shrink from declaring that the
country would benefit if foreigners invested
in the bank shares, since this would bring
so much additional capital into the United
States. Hamilton then pointed out the
vital distinction between government paper
issues and bank paper. He laid down thus
the fundamental principle of a well-regulated
bank-note currency: —

“Among other material differences be-
tween a paper currency, issued by the mere
authority of government, and one issued by
a bank, payable in coin, is this: That, in
the first case, there is no standard to which
an appeal can be made, as to the quantity
which will only satisfy, or which will sur-
charge the circulation: in the last, that
standard results from the demand. If more
should be issued than is necessary, it will
return upon the bank. Its emissions, as
elsewhere intimated, must always be in a
compound ratio to the fund and the de-

ALEXANDER HAMILTON

hence it is evident, that there is variation in the nature of the thing ; while the discretion of the government is the only measure of the extent of the emissions, by its own authority."

339
The bank which Hamilton proposed was private in its ownership, but the United States were to pledge themselves not to authorize any similar institution during its continuance. The capital of the bank was not to exceed \$10,000,000, for which the President of the United States might subscribe \$2,000,000 on behalf of the government. It was further provided that three fourths of the amount of each share might be paid in the public debt instead of gold and silver.

It was the purpose of Hamilton not merely to create a useful financial institution, in which the government would be able to keep its deposits, but to weld the monetary system of the country into an harmonious whole. The result of this, which he foresaw and intended, was to bind the property-owning classes to the interests of the

new government. The effect was much the same as the creation of the Bank of England by the loan of its capital to the government, which bound the moneyed classes firmly to King William, through the knowledge that the debt and the solvency of the bank depended on the perpetuation of his government and the exclusion of the Stuart Pretender. The tendency of Hamilton's project was clearly seen by Jefferson and other democratic leaders, and did not fail to arouse their hostility. It was not long before they promptly took sides against the national bank. Jefferson wrote regarding the meetings of the cabinet at this time that "Hamilton and myself were daily pitted in the cabinet like two cocks."

There was something deeper involved, from the standpoint of Jefferson, than the mere question of bringing the moneyed class to the side of the government. The latter object was sufficiently distasteful to him, but the extension of the powers granted by the Constitution beyond those which were directly enumerated in the document involved a

question of public policy and constitutional law which afforded the basis for the creation of two great national parties. The Constitution did not anywhere grant in terms to the government the power to establish a national bank. Even Hamilton did not pretend to put his finger on the specific authority for his new project. He advanced a doctrine which was eagerly embraced by the party which was growing up around him, but which was as resolutely opposed by the other party. This was the doctrine of the implied powers granted to the new government by the Constitution. It is doubtful whether the Constitution would have been ratified by Virginia and other states if this doctrine had been set forth and defended in the state conventions by the friends of the Constitution. This by no means implies that the policy and doctrine of Hamilton were not wise and far-sighted. Hamilton had definite aims before him, and it was his legitimate mission to educate public sentiment up to the point of accepting those aims and of granting him the means for carrying them out.

The doctrine of the "implied powers" rested upon the theory that unless they were directly prohibited by the Constitution, all powers were granted to the government by implication which were found necessary and proper for carrying out the powers specifically granted. Jefferson came to believe, if he did not believe at the outset, that the government was one of delegated powers which were strictly limited to those enumerated in the Constitution. The doctrine of Hamilton, from this point of view, was revolutionary. It meant the conversion of a government holding limited delegations of power from the people and the states into a government having supreme power, capable of taking an infinite variety of measures whenever Congress, in the exercise of its discretion, believed that such measures would contribute to the well-being of the Union. The state governments, coming closer to the people than the federal government, were most directly threatened by this assumption of power, and it was as the champions of state rights as well as democratic ideas that Jef-

person and his friends took their ground as the advocates of the strict construction of the Constitution.

It is not surprising, therefore, that the proposal to create the Bank of the United States called forth in Congress prolonged and heated debates. But the policy of Hamilton had been so far successful in restoring the public credit that he carried the project for the national bank through both houses, and it was laid before the President for his approval. Washington had watched with interest the struggle in the two houses, and was somewhat impressed by the weight of the argument against the constitutional power of Congress to establish the bank. The cabinet was divided. Jefferson and Randolph were against the constitutionality of the bill. Hamilton and Knox were in favor of it. Washington asked each of them to give him in writing the reasons for his opinion. He weighed them carefully and then affixed his signature to the bill (February 25, 1791). The new project realized all the benefits which Hamilton expected.

Washington, in his tour of the Southern States in the spring of 1791, found the sentiment for union strengthening and the country recovering from the prostration of the era of bad money and political uncertainty which had followed the Revolution. He declared in a letter written after his return :

“ Our public credit stands on that ground, which, three years ago, it would have been madness to have foretold. The astonishing rapidity with which the newly instituted bank was filled, gives an unexampled proof of the resources of our countrymen and their confidence in public measures. On the first day of opening the subscription, the whole number of shares (twenty thousand) were taken up in one hour, and application made for upwards of four thousand shares more than were granted by the institution, besides many others that were coming in from various quarters.”

How much was likely to be done by a national bank to bind together the commercial interests of different sections of the country can hardly be appreciated to-day. At that

time there were only four banks in the country ; none of these was ten years old, and their combined capital was only \$1,950,000. The Bank of the United States was authorized to establish offices of discount and deposit in all the states and to distribute parts of its capital among eight branches in the chief cities of the country. It was the drafts of these branches upon each other, and their means for reducing to a uniform and reasonable rate the cost of transferring funds, which contributed to knit all parts of the country together in commercial matters and so strengthened the bond of political union. The bank did not make regular reports to the Treasury Department, but its success is indicated by a special report communicated to Congress by Secretary Gallatin (January 24, 1811), which showed resources of \$24,183,046. The average annual dividends paid upon the stock up to March, 1809, were over eight per cent.

8 ✓ So invaluable were the operations of the Bank of the United States to the public treasury that Jefferson himself when Presi-

dent came to its support. His support was perhaps never very hearty, and was due to Albert Gallatin, his Secretary of the Treasury, whose foresight and ability give him a rank next to Hamilton among the able men who have presided over the national finances. Gallatin made a strong report in 1809, recommending that the charter of the bank be renewed upon its expiration in 1811, with an increase of capital and wider powers. A new charter was voted in the House, but the bill was not acted on in the Senate, and before the next session the opposition of the state bankers had rallied sufficient strength to defeat the recharter. The second United States Bank was authorized in 1816, under the administration of Madison and with his approval, but its career was terminated in 1836, as the result of the political hostility of President Jackson.

It was not until after the grant of this second charter that the question of the power of Congress to establish a bank came directly before the Supreme Court in 1819. At the head of this court sat John Marshall,

who next to Hamilton, perhaps, did more than any other man to strengthen and extend the powers of the general government. The jealousy of the state banks had led the State of Maryland to impose a discriminating tax on the Bank of the United States. If the right to levy such a tax had been admitted, the Bank would have been completely at the mercy of the states, and one of the chief purposes of its creation would have been defeated. In order to sustain the right of the bank to exemption from taxation, it was necessary to prove that it was a constitutional instrument of federal power. Hence the question of the power of Congress to create such a corporation came directly before the court.

Hamilton found the power to create a bank partly in the preamble to the Constitution, which declares that the people of the United States have adopted it in order to "promote the general welfare," but more particularly in that concluding phrase of the clause defining the powers of Congress, which declares that that body shall have

authority "to make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the government of the United States or in any department or officer thereof." Marshall, in the series of great decisions by which he strengthened the power of the Union, often made use of these provisions to justify his reasoning. In one of the most famous of these decisions (*McCulloch vs. Maryland*), he sustained the constitutionality of the bank as an instrument of federal power and denied the right of the states to levy upon its property. He declared that the power to tax involved the power to destroy, and that if the federal government had not the power to withdraw its creations from discriminating legislation by the states, the latter might tax the mail or the mints, the papers of the custom-houses, or the forms of judicial process.

The view of Hamilton regarding the power of the federal government to create a bank was thus sustained in emphatic terms

by the highest court in the land. It was partly his policy in providing for the bank and demonstrating its usefulness, with his other measures to develop the powers of the central government, which made possible the decisions of Marshall. If the question of the right to incorporate a bank could have been brought before the court at the beginning, before the institution had proved its value, and if men like Jefferson and Madison had been upon the bench, there is at least room for doubt whether a decision would have been rendered in favor of a power which is not granted directly to the government by the Constitution. But by the resolute executive policy of Hamilton and the broad judicial constructions of Marshall, the functions of the new government were extended to all those great objects necessary to create a vigorous and united nation.

The many other measures of Hamilton were directed by the same singleness of purpose to strengthen the hands of the government and consolidate the Union.

The report on the mint followed the previous reports of Jefferson in recommending the adoption of the dollar as the unit of value. Hamilton observed that "upon the whole, it seems to be most advisable, as has been observed, not to attach the unit exclusively to either of the metals; because this cannot be done effectually, without destroying the office and character of one of them as money, and reducing it to the situation of a mere merchandise." He believed, however, that care should be taken to regulate the proportion between the metals with an eye to their average commercial value. He pointed out the danger of undervaluing either metal, and the inevitable result, in case of a difference of ratio in two countries, "if other things were equal, that the greatest part of the gold would be collected in one, and the greatest part of the silver in the other."

This discussion of the subject took place at a time when monetary principles were not very well fixed, when the standard and the state of the currency had hardly been

settled on an orderly basis in any country, and when the means of transportation for the precious metals were much slower and less efficient than under modern conditions, and the cost was much greater. Hamilton endeavored to find the true commercial relation between gold and silver as a basis for the coinage values, in the hope that this would not change sufficiently to upset a bimetallic system founded upon such a basis. He was not a victim of the delusion that government can arbitrarily give value by law to money, but declared, "There can hardly be a better rule in any country for the legal, than the market proportion; if this can be supposed to have been produced by the free and steady course of commercial principles."

The report on manufactures and the bill providing for an excise were parts of the project of Hamilton for building up a vigorous and self-supporting nation. The report on manufactures was not presented to Congress until the beginning of the long session at the close of 1791, and was not

carried out in legislation. It consisted chiefly of an argument for the encouragement of young industries in an undeveloped country. Hamilton strongly favored the diversification of the industries of the country between agriculture and various forms of manufacture, because he believed it would contribute to the solidity of the industrial system and to the financial independence of the United States. His conception of the best method for promoting American industries differed materially, however, from more recent developments of the protective system. He recommended bounties and premiums in many cases in preference to protectionist customs duties, in order to avoid the rise in the price of articles to the consumer which often results from such duties. The customs duties which he proposed, moreover, ranged only from seven and a half to fifteen per cent., and the latter rate was to be levied on only a few articles.

The country was not yet ripe for extensive industrial enterprises. The manufac-

tures then existing were chiefly for supplying local needs, the factory system had not been introduced, and the capital had not been accumulated for the creation of large establishments. The country needed many foreign manufactured articles to put it upon the highroad to industrial development, and it was at a much later period that the manufacturing interests acquired the power which enabled them to increase the scale of duties. When this time came, they turned to the arsenal of Hamilton's report for weapons in support of the policy of diversifying industries; but they used these weapons in behalf of a scale of duties which was not recommended by him and they ignored his arguments for premiums and bounties for the protection of the consumer against excessive prices.

Whether Hamilton would have favored the policy of protection in its later developments, it is useless to inquire. It is idle to claim for any thinker of the past that he anticipated all future discoveries and reasoning in the fields of politics or economics.

It is not necessary, in order to give a statesman a high place in history, to worship blindly all that he did or said or to make such deeds and words an authority for later generations. What can be said of Hamilton without reasonable ground of denial is that he did not recommend in any of his writings the high scale of duties advocated by some protectionists in recent years. On the contrary, he urged a scale of duties which would be treated by the protectionist of to-day as below even the level of a "tariff for revenue only." That his ideas were far from extreme is indicated by the project which he drew up in 1794 for a reciprocity treaty with Great Britain, which proposed to limit American import duties on the leading textiles and manufactured articles of metal to ten per cent. of their value. He even criticised Jefferson's message of 1801 for recommending the repeal of the internal revenue taxes, upon the ground that the duties on imports were high and that if any taxes were to be repealed, they should be those which weighed on commerce and navigation.

A measure which led to more immediate results than the report on manufactures was the report on the excise. Hamilton found it necessary, in order to obtain sufficient funds to meet the interest on the debt and other charges, to recommend an excise tax upon distilled liquors produced in the United States. The bill passed Congress in January, 1791, and was soon put in force. Violent resistance was made in western Pennsylvania, where the manufacture of whiskey was more extensively carried on than in any other part of the Union. The federal collector for Washington and Allegheny was tarred and feathered, and deputy marshals did not dare serve writs against those guilty of the outrage. Washington's journey through the South had a good effect in softening the opposition to the law, which first showed itself in Virginia and North Carolina; but in Pennsylvania conditions went from bad to worse, until it became necessary to give the federal government additional powers for collecting the tax and putting down insurrection. Masked

mobs terrorized those who were inclined to obey the law, and forced them to publish the injury done to their stills. In order to protect themselves by embroiling the whole community, some of the insurgent leaders had the mail stopped, the militia called out on their side, and threatened to lay Pittsburg in ashes (July, 1794).

The opportunity had come for testing the question whether the Union was strong enough to put down rebellion by force. It was an opportunity which Hamilton did not shirk. At his earnest solicitation, an army was dispatched to the disturbed districts. Washington showed no hesitation in supporting the authority of the federal government. He obtained a certificate from a judge of the Supreme Court, setting forth that the laws of the United States were set at naught and that the courts were unable to enforce them. He then issued a proclamation commanding the insurgents to submit to the laws, and made a requisition for 12,950 militia from Pennsylvania, Maryland, Virginia, and New Jersey, to move on

September 1, 1794, towards the disaffected districts.

The firmness of Washington put an end to the insurrection. Governor Mifflin of Pennsylvania, who had hesitated to put down the disturbances by the strong hand of the state, recovered his courage, and aided the federal government by proclamations and by his full quota of troops. Hamilton accompanied the army as it moved towards the West, and remained with it after Washington turned back to attend the opening of Congress. The strong display of force made by the government overawed the insurgents and finally compelled their submission. Albert Gallatin, although a citizen of the disaffected section and an opponent of the party in power, exerted his influence on behalf of order. Negotiations were set on foot between commissioners of the President, and a committee of citizens, of which Gallatin was a member. When this committee met to decide whether they would recommend compliance with the law, they were surrounded by riflemen who were


ready to shoot if their leaders showed signs of yielding. But they adopted the clever device of a ballot upon which both yea and nay were written, with the option of destroying either word. A small majority voted to submit. Some of the obstinate spirits held out, but as the people fell away from them, they were arrested and put on trial, and the authority of the federal government was no longer disputed.

This suppression of the "Whiskey Rebellion," as it was called, was one of the most important steps in the consolidation of the Union. Many who had observed the aggressive and comprehensive projects of Hamilton, and seen them daily binding closer the bonds of union, did not believe that they would stand the test of armed conflict. They feared that the power of the government would wither and the people split into warring factions when men were called upon to march in arms against their fellow-citizens. The event proved that the new government had vindicated its right to exist, and that the sentiment of union was daily

gaining a stronger hold upon the hearts of the people. That this new power had not only built up a cohesive financial system, but had shown its capacity to put down resistance to its lawful authority with a strong hand, was largely the work of Hamilton. It may be said that it was wholly his work, so far as any great national policy can be projected and carried out by a single man, independently of the support of his associates in the government and of the body of public opinion which make possible the execution of his plans.

The time had come when Hamilton felt that his constructive work was done. He withdrew from the cabinet (January 31, 1795), and Oliver Wolcott of Connecticut was appointed his successor. Hamilton chose the moment for retiring from office with a tact and judgment unusual with public men. He was moved partly by the desire to provide for his family upon a more liberal scale than his modest salary under the government permitted. He was too patriotic, however, to have abandoned

his post until he felt that his constructive work was complete. It was with conscious satisfaction that in his report on the public credit at the beginning of 1795 he was able to marshal the measures already taken towards restoring order to the national finances and point out their results. The credit of the country had been raised from the lowest abyss of dishonor to that of the most enlightened nations of the old world; an adequate system of taxation had been provided for meeting the public obligations; the business interests had been knit together in support of the government by a national bank; a monetary system had been established; the Treasury had been organized in its various branches upon a basis which has survived to our day; and finally the strength of the fabric of the Union and of the financial system had been subjected to the test of a rebellion which, without serious bloodshed, but with a strong display of force, had been fully and firmly subdued.



Background

Result
7/4/57

VI

FOREIGN AFFAIRS AND NEUTRALITY

THE comprehensive measures of Hamilton for strengthening the Union gave a definite character and policy to the Federalist party. The foundations of this party had been laid by the struggle over the question whether the Constitution should be accepted by the states ; but the measures of Hamilton were too strong for some of the friends of the Constitution, and many changes occurred in the temporary groupings of political leaders before a definite dividing line was established between the Federalism of Hamilton on the one side and the Democracy of Jefferson and Madison on the other. These two eminent Democratic leaders had, indeed, been among the most earnest supporters of the Constitution. Madison went farther than Jefferson in the direction of Federalism, and encountered the distrust of the states-rights element at home ;

but Jefferson, as has been already seen, made several reports in the Continental Congress in favor of declaring the United States a nation, and was the cordial promoter of those important steps towards union, — the transfer of the Western territory to Congress and the adoption of a common monetary system.

The plans of Hamilton in regard to the finances, however, and his resolute policy of neutrality between France and Great Britain, ran counter to the views of Jefferson. It is not surprising, therefore, that the latter found himself pitted against the great Federalist leader upon nearly every question of importance which came before the cabinet. The feeling that he had been duped in regard to the assumption of the state debts found vent in many complaints, which finally bore fruit in open attacks upon Hamilton, at first made indirectly through a clerk in the government service, and then directly in a long letter to Washington. Jefferson gave the post of translating clerk in the State Department to a Frenchman, Philip Freneau, who published a journal known as the "National

Gazette." In this journal Freneau began a series of bitter and sometimes well-directed attacks upon the measures of the administration, and particularly those of Hamilton. A friend of Jefferson in Virginia, Colonel Mason, approached Washington in the summer of 1791, and made a long and severe criticism upon the Treasury measures and their effect upon the people.

Washington continued to stand above party, and sought to mitigate the friction between his cabinet officers. Where the judgments of Hamilton and Jefferson differed on constructive measures, however, Washington in nearly every case became convinced of the wisdom of the recommendations of Hamilton. He therefore had the appearance of leaning to his side, although he often mitigated the sharpness of the arguments of his vigorous young minister of finance and endeavored to temper his excess of zeal. After listening to Mason, Washington felt that the time had come to interpose in the growing hostility between his cabinet ministers. He submitted a brief summary to Hamilton of the

criticisms which had been made upon his projects and asked him to submit a statement in reply. The charges were directed not only against the substance of the financial measures, but declared that they fostered speculation, corrupted Congress through the ownership of the public debt by members of that body, and that Hamilton was laboring secretly to introduce aristocracy and monarchy.

It was not difficult for Hamilton to brush away most of these criticisms. This he did in the cool, logical manner of which he was a master by numbering each objection to his policy and measures and showing that it was not founded upon solid reasoning or fact. Hamilton would have done well to have rested his case upon his letter to Washington, but he was now convinced that Jefferson was behind the attacks upon him, and he determined to strike back. He began a series of anonymous communications through the Federalist organ, "Fenno's Gazette," which showed all his usual vigor and force of reasoning, but which only intensified the

bitterness in the cabinet. President Washington was deeply disturbed by this open outbreak of hostilities, and remonstrated by letter with both Hamilton and Jefferson. Hamilton suspended his attacks, while Jefferson confined his hostility to less open methods.

When Congress met at the close of 1791, Giles of Virginia, a loud-spoken, hot-headed member of the House, called for accounts of the various foreign loans made by the government. An attempt was made to prove corruption in the management of the Treasury. Hamilton could not have found a better opportunity for defending himself, if he had sought it. He was no longer shut up to the unsatisfactory methods of unsigned communications through newspapers, but was in a position to speak openly and boldly in exposition and defense of his measures. Report after report was sent to Congress, setting forth the operations of the Treasury with a lucidity and power which silenced the opposition and almost overwhelmed Madison, who had been forced as a party leader to

accept the responsibility for the attacks. The reports, to any one who understood the subject, were absolutely convincing of the soundness and wisdom of Hamilton's measures.

Jefferson, perhaps, had some right to complain of the influence which Hamilton exerted over that department of the government which properly belonged under his exclusive jurisdiction. This was the management of foreign relations. Hamilton had such definite and well-considered views on foreign policy as well as finance that he could not forbear presenting them in the cabinet. His superiority in definiteness of aim and energy no doubt led him to believe that he was fitted for the functions of prime minister and that he was justified in exercising them as far as he could. The course of Washington encouraged him to the extent that the President often gave the preference to his views over those of Jefferson, but it was far from the purpose of the President to make any distinction in rank or in his confidence between his ministers. Hamil-

ton, although an admirer of the British political system, permitted himself few prejudices in his theory of the foreign policy of the United States. Though often charged with British sympathies, he leaned much less towards Great Britain than Jefferson, through his admiration of the spirit of the French Revolution, leaned towards France.

✓ The foreign relations of the country began to become acute with the outbreak of war between England and France in 1793. France had already abolished royalty, expelled the nobles, sent Louis XVI. to the scaffold, and was on the eve of the terrible massacres which did so much to revolt even her best friends outside the country. The news of war reached the United States early in April, 1793. News came also that a minister from the French Republic had landed at Charleston and would soon present his credentials at Philadelphia. ✓ Hamilton sent post haste for Washington, who was at Mount Vernon. The outbreak of war meant danger to American commerce on the ocean and the risk of trouble with both

powers over the neutrality laws. The serious question confronting the American government was whether they should maintain strict neutrality between the belligerents or should side with France, to whom they were bound by the treaties made with her when she came to the rescue of the colonies. When Washington reached Philadelphia, he found both Jefferson and Hamilton ready with suggestions for meeting the crisis, but these suggestions differed widely. Jefferson, although not an advocate of war against England, believed that Congress should be called together in extra session to deal with the emergency.

A stronger programme was urged upon the President by Hamilton. He regarded the question of neutrality and the reception of the French envoy as one for the executive rather than for Congress. He believed also that these subjects would be safer in the hands of Washington than midst the passions of a legislative body. He drew up a statement, embodying a series of questions regarding the policy of the United States,

✓ which was laid by Washington before the cabinet. The first question was whether a declaration of neutrality should be issued. This was decided in the affirmative, and the proclamation was soon issued by Washington. It was decided that the French minister, Genet, should be received, but that early occasion should be taken to explain to him that the United States did not consider themselves bound by the treaties to plunge into war in behalf of France. While it was admitted by Hamilton that it would not be the province of the United States under ordinary circumstances to cavil over the character of the government in France, but would be their duty to accept the government which existed, nevertheless, the extraordinary events which had taken place at Paris justified a certain reserve towards the revolutionary powers.

Entirely apart from the changes in the character of the French government, it was felt by Hamilton that the time had come to give an interpretation to the early treaties in harmony with a more unchallenged inde-

pendence for the United States, and a more complete separation from the intrigues of European politics. The radical character of the Revolution in France, and the action of the French government itself, gave an excuse for an interpretation of the treaties which otherwise might not have been found without blushing. The treaties provided for a defensive alliance with France, and it was promptly decided by the cabinet that the war of France against Great Britain was not defensive. Hamilton proposed not only to revise the treaties, but to resist by the utmost efforts of the federal government the enlistment of men and the fitting out of privateers in America in aid of the French. He did not propose, as some of the friends of France would have desired, that the proclamation of neutrality should be only a mask for underhanded aid to that country.

The situation was made as difficult as possible for the government by the hot temper and indiscretions of the new French minister. These qualities in him were encouraged by the reception which he received

on the way from Charleston to Philadelphia. He was everywhere welcomed with such enthusiastic demonstrations of sympathy for France as tended to make him believe that he was something more than the diplomatic representative of a foreign country, and could safely interfere in the politics of the United States. As he approached Philadelphia (May 16, 1793) he found Captain Bompard of the French frigate *L'Ambuscade* ready to fire a salute of three guns, and men on swift horses posted along the road to give notice to the citizens of his coming.

✓ Genet had no sooner landed at Charleston than he began to fit out privateers to prey upon British commerce. The *Ambuscade* herself, which brought Genet to Charleston, seized several English merchant vessels on her way to Philadelphia, and crowned her insolence to the United States by seizing an English vessel, the *Grange*, within the Delaware capes, in the jurisdiction of the United States. The *Grange* was restored to her owners, but her seizure was only one of many flagrant violations of in-

ternational law which were systematically carried out by the French, and which were defended and often planned by Genet. When the Polly was stopped from leaving New York fitted out for a French privateer, Hauterive, the French consul, addressed a note to Governor Clinton, telling him it was not in a land where Frenchmen had spilled their blood that they were to be thus harassed. When the Little Sarah was fitted out as a privateer in Philadelphia, Hamilton and Knox urged that a battery be placed on one of the islands and that the vessel be fired upon if she attempted to leave the harbor. Jefferson was hoodwinked by assurances from Genet that the vessel would not sail, and himself indulged in some glittering talk against the United States joining in "the combination of kings against France." The vessel at once put to sea, and Washington was so indignant that Jefferson was almost driven to resignation.

Hamilton had a more direct interest officially in the demands of Genet for money which was owed to France. Genet not only

asked for the anticipation of payments soon to mature, but insisted that he should receive the whole amount of the debt. He threw a bait to American sentiment by the suggestion that the money would be spent in the United States for provisions and supplies. Hamilton treated his rude demands just as he would those of any other creditor. He was willing to anticipate certain payments when the Treasury resources justified it, but absolutely refused to do more. Genet then threatened to pay for what he bought with drafts upon the Treasury. Hamilton coolly retorted that the drafts would not be honored. The Frenchman was compelled to consume his wrath, not exactly in silence, but without result upon the government.

Genet, encouraged by some of the enemies of the administration, succeeded in working up a strong pro-French sentiment in various parts of the country. At a dinner in Philadelphia, following his arrival, songs were sung to France and America, and the red cap of liberty, which had been forced upon the reluctant head of Louis

XVI. in the great demonstration of the preceding August at the Tuileries, was passed around the table and successively worn by each of the American guests. Hamilton, who never had much confidence in pure democracy, went close to the other extreme in his alarm over these signs of public opinion. He felt compelled in the summer of 1793 to publish a series of essays signed "Pacificus," defending the policy of the administration. These papers, in the language of Mr. Lodge, "served their purpose of awakening the better part of the community to the gravity of the situation, and began the work of rallying the friends of the government to its active support." Genet addressed such offensive letters to the Department of State, and his conduct became so intolerable, that the cabinet agreed to send the correspondence to Paris and ask for his recall. Genet himself published a letter which revealed his insolence to the public, and caused a revulsion of sentiment which brought the more sober men of all parties to the side of Washington. Genet's course

was run, and in February, 1794, his successor came out from France.

✓ Hamilton soon had opportunities for proving that his policy of neutrality was directed as much against English as against French aggression. When Great Britain issued the first Orders in Council, directing the seizure of all vessels loaded with French produce, Hamilton declared the British order an outrage, and urged the fortification of the seaports and the raising of troops. He exerted himself, however, to restrain popular passion and preserve peace. He suggested to Washington that a special mission be sent to London to treat with the British government. The idea was cordially accepted by Washington. He desired to send Hamilton, but the Virginia party, headed by Madison and Monroe, strongly opposed the appointment. They were embittered by recent party conflicts, and regarded Hamilton as too friendly to British interests. Chief Justice John Jay of New York was then recommended by Hamilton for the mission. Opposition was made even

to Jay, but the nomination was confirmed (April 19, 1794), and Hamilton himself drew the outline of the instructions with which Jay sailed from New York.

The conflict over the treaty which Jay brought back in the following winter was one of the most bitter ever waged in American politics. The contracting parties to the treaty — the United States and Great Britain — looked at the situation from widely different points of view. Jay secured the promise of the withdrawal of the British troops from the frontier posts and an agreement to compensate Americans for losses through British privateering. The last was an important concession, because it covertly admitted the British position in regard to privateering to be in conflict with international law. Some important commercial concessions were also made by Great Britain, which were regarded at London as purely gratuitous. But the treaty failed to secure any compensation for the claims of American citizens for negroes and other property carried away by the British troops, and

American vessels were forbidden carrying to Europe from English ports or even from the United States coffee and the other chief colonial products. Among the latter was named cotton, which was then just becoming a large element in the production of the South.

Hamilton himself is said to have characterized the treaty as "an old woman's treaty," when he first read it, but it soon became evident that it must be accepted substantially as presented, if war was to be avoided. Washington called the Senate in extra session in June, 1795, and after two weeks' debate in secret session the treaty was ratified by exactly the necessary two thirds vote, — twenty to ten. It was not until the adjournment of the Senate that the contents of the document reached the public through Senator Mason of Virginia. The news was followed by town meetings all over the country demanding that President Washington refuse to exchange ratifications. So intense was the feeling that a vessel suspected of being a British privateer was seized and

burned at Boston, a great meeting in Faneuil Hall ordered a committee to take a protest to Philadelphia, and Hamilton himself was stoned and refused a hearing at a meeting in New York. But Washington remained calm. Hamilton, as the responsible leader of the party, took up the cudgels for ratification. He submitted an elaborate argument to the cabinet (July 9, 1795), and with an amendment which the Senate recommended and Great Britain accepted, the treaty went into operation.

VII

HAMILTON AS A PARTY LEADER

THE ratification of the Jay treaty did much to shake the power of the Federalists, and for a moment seemed to threaten their ruin. It was divisions in their own ranks, however, which contributed as much to this event as any real blunders in public policy. Hamilton was not at his best in conciliating those who differed from him, and he did not encounter a more yielding or tactful associate in John Adams. Hamilton had gone out of his way with little reason at the first presidential election, in 1788, to secure votes against Adams. His avowed object was to insure the election of Washington by preventing a tie vote between Washington and Adams. The original Constitution authorized each elector to vote for two persons for President and Vice-President, without designating the office for which either was voted for.

This led to complications which were corrected by an amendment after the election of 1800. In the case of the first election, however, few sane men doubted that Washington would have the majority of the votes, and the only effect of the intrigue of Hamilton was to reduce the vote for Adams to a point which almost caused his defeat. Hamilton supported Adams in the second election, in 1792, and the relations between the two men were reasonably cordial.

When Washington retired from the presidency, in 1797, the commanding men in the Federalist party were Hamilton, John Jay, Thomas Pinckney, and John Adams. Hamilton was the controlling mind in the consultations of the leaders rather than the sort of man who appealed to the people. He was not seriously thought of by himself or others as a candidate for President. Jay was barred by the odium attaching to the treaty with Great Britain. The choice was therefore reduced to Pinckney and Adams. Most of the leaders were for Adams, who was superior to Pinckney in Revolutionary services

and ability. It was determined that the Federalist electors should vote for both Adams and Pinckney, with the purpose of choosing the former for President and the latter for Vice-President. Hamilton on this occasion urged that all the Federalist electors should vote for both Adams and Pinckney. If each had received an equal number of votes, the choice would have been thrown into the House and Adams would probably have been elected. Hamilton erred in letting it be known that he was indifferent whether the outcome was favorable to Adams or Pinckney, especially when there was a strong suspicion that he was really for Pinckney. Party discipline had not then reached its modern development, and votes were thrown away by Federalist electors, — in the North to prevent a majority for Pinckney over Adams and in the South to prevent the same chance in favor of Adams.

✓ The result of these jealousies was that Adams barely escaped defeat. He was chosen by a plurality of three, but Pinckney was beaten, and Jefferson, having the next highest

vote, was elected Vice-President. Adams became firmly convinced that Hamilton was his personal enemy and would stop at nothing to injure him. That Hamilton was recognized by all the party leaders as the master mind and the guiding spirit of the party made no difference to a man of the hot temper and resolute spirit of John Adams. Tact and conciliation were as far removed from his nature as from that of any American public man. The indifference of Hamilton whether he was beaten by Pinckney, in connection with Hamilton's intrigue in 1788, had convinced Adams that Hamilton did not feel proper respect for him, and that he was seeking to dictate the policy of the administration and to thwart and degrade him. Adams resented any sort of suggestion or consultation, and took delight in disregarding the suggestions of Hamilton, while the latter struck back through several members of the cabinet, who were more in sympathy with him than with the President.

The country having escaped the danger of immediate war with England by the Jay

✓ treaty, was soon threatened with war with France. Monroe had been recalled as American Minister at Paris and Charles Pinckney, who was sent in his place, had been refused a reception. Some of the Federalists were so incensed against France that they were eager for war. Hamilton was opposed to war if it could be avoided, but was in favor of a resolute policy. Adams, although ✓ as far as possible from sympathy with France, believed every reasonable effort should be made to preserve peace. It was decided, with the approval of both Adams and Hamilton, ✓ to send a commission of three to Paris, to negotiate. Over the appointment of this commission new differences broke out between Hamilton and the President. Hamilton favored the appointment of a Northern and a Southern Federalist and of a Democrat of the highest standing, like Madison or even Jefferson. Adams was at first disposed to make these appointments, but finally took both the Federalists from the South, — Pinckney of South Carolina and John Marshall of Virginia, — and selected as the third mem-

ber a Democrat of comparatively minor standing, Gerry of Massachusetts.

The commissioners accomplished little good at Paris. They were insulted and brow-beaten and told that only bribery would secure what they desired. When their treatment became known in the United States, in the spring of 1798, there was a popular outburst which restored the Federalists to power in Congress in the following autumn, with a larger majority than ever before since party divisions became fixed. Enthusiastic addresses poured in upon President Adams, war vessels were fitted out by private subscription, and bills were carried at once for a provisional army, for fortifications, and for the increase of the navy. Even under this stress of excitement, however, Hamilton opposed alliance with Great Britain, and persuaded Pickering, the Secretary of State, to abandon the advocacy of it.

It was over the organization of the new army that the hostility of Adams to Hamilton became open and bitter. Washington was selected as commander-in-chief, but only

consented to serve upon the condition that he should have the choice of the officers who were to rank next him, and should not be called upon to take an active part until the army took the field. He recommended to the President that rank in the Revolutionary army be disregarded and that the three major-generals to be appointed should be Hamilton, Charles Pinckney, and Knox. This gave the practical command and the work of the organization to Hamilton. Adams sent the names to the Senate, in the order suggested by Washington, and they were promptly confirmed. When he came to signing the commissions, however, he took the ground that Knox was the senior officer on account of his rank during the Revolution. Hamilton would not consent to this arrangement, and all the Federalist leaders, including members of the cabinet, remonstrated with the President against it. One of the saddest results of the quarrel was the alienation from Hamilton of Knox, who had been a friend of many years and when Secretary of War in Washington's

first cabinet had stood loyally by Hamilton against Jefferson in the controversy over the financial projects.

Adams at first seemed to grow more stubborn with the protests which were made against his action. The leaders finally turned to Washington. The latter informed the President that if the original agreement as to the rank of the officers was not kept, he should resign. Adams, with all his stubbornness and bravery, did not dare defy the country by forcing Washington from the service. He gave way, and appointed Hamilton to the first place, but the good feeling which might have been promoted if he had done so at first was replaced on both sides by bitterness which was never softened.

Hamilton, as the practical head of the army, showed the same abounding energy and capacity for organization which he had shown at the head of the Treasury. He drafted a plan for the fortification of New York harbor, made an apportionment of officers and men among the states, and drew up projects for

the organization of the new army, dealing with the questions of pay, uniforms, rations, promotions, police in garrisons and camps, and the many other branches of the service. All these projects received the cordial approval of Washington. When Congress met, Hamilton was ready with a bill putting the army upon a basis which would permit its increase or diminution in future without changing the form of the organization. In the spring of 1799 he was providing for the defense of the frontiers and planning the invasion of Louisiana and the Floridas.

✓ The projects of these invasions of Spanish territory justify a reference to the continental policy of Hamilton. He was among the first to maintain that the United States should have complete control of the valley of the Mississippi, and even during his short term in the Congress of the Confederation the last resolution which he presented declared the "navigation of the Mississippi to be a clear and essential right and to be supported as such." It was left for Jefferson, Hamilton's great opponent, to carry out his

conception of the acquisition of the Mississippi valley by the purchase of Louisiana. The admirers of Hamilton credit him with a still wider vision of the future power of the United States, which was eventually to bear fruit in the Monroe doctrine and in the celebrated declaration of Secretary Olney in 1895, that "to-day the United States is practically sovereign on this continent, and its fiat is law upon the subjects to which it confines its interposition." Hamilton wrote in "The Federalist," before the adoption of the Constitution, that "our situation invites and our situation prompts us to aim at an ascendant in American affairs."

The firm attitude of the United States towards France had its effect at Paris. Talleyrand sent an intimation indirectly to President Adams that the French government would be glad to receive an American envoy. Again the impetuosity of Adams divided his party and intensified his quarrel with the leaders who stood around Hamilton. The name of Vans Murray was sent to the Senate by the President for Minister

to France, without even consulting the cabinet. Many doubted the wisdom of snapping up so promptly the offer made by Talleyrand, and more were incensed at the President's method of doing it. There was at first a strong disposition among the Federalist leaders to defeat the nomination in the Senate. Hamilton, however, checked the indignation of his friends and suggested a way out of the difficulty by appointing a strong commission.

The downfall of the Federal party and the retirement of Hamilton from the active control of national policy were at hand. The passage of the alien and sedition laws, arrogating to the federal government intolerable powers of interference with the rights of the press and of free speech, was one of the causes contributing to the revulsion of feeling in favor of the party of Jefferson. Hamilton opposed the first drafts of these laws as cruel, violent, and tyrannical, but he did not disapprove their final form. The Federalists carried the congressional elections of 1798, under the impulse of the

feeling against France, but began to lose ground soon after. As the presidential election of 1800 approached, a desperate struggle was made to hold New York for Federalism as the only hope of defeating Jefferson and reëlecting Adams. The New York election went against the administration, and Hamilton pleaded in vain with Governor Jay to defeat the will of the people by calling the old legislature together and giving the choice of presidential electors to the congressional districts. It was perhaps the most discreditable proposal which ever came from Hamilton, and was promptly rejected by Jay.

Hamilton's motive was a sincere fear that the country would go to ruin and the Constitution be endangered by the triumph of the political school of Jefferson. This might have been the case if it had been the first election under the Constitution, but Hamilton himself had builded better than he knew. The financial projects, the national bank, the suppression of the "Whiskey Insurrection," and the other measures taken under Washington and Adams had built up a Federal

Union, whose strength could not be seriously shaken by the transfer of power from one party to another.

With the shadow of defeat hanging over them, the course of the Federalist leaders seemed to justify the maxim, "Whom the gods destroy they first make mad." With the utmost need for harmony and unity, quarrels broke out which would have wrecked the party even if there had been otherwise some prospect of its success. Adams drove McHenry and Pickering from his cabinet because they had betrayed his secrets to Hamilton, and denounced Hamilton and his friends as a British faction. Hamilton asked in writing for a denial or explanation of the charge, but was treated with contemptuous silence. As the presidential election approached, Hamilton scarcely concealed his preference for Pinckney, who was again to be voted for by the electors along with Adams. Hamilton had been so badly treated by the President that he announced his purpose to prepare a pamphlet, exposing the failings of Adams and vindicating his own position.

His best friends stood aghast at the project and labored with him to abandon it. Hamilton persevered, however, in the preparation of the pamphlet. He denounced Adams as a man of disgusting egotism, intense jealousy, and ungovernable temper, and reviewed in a scathing manner his entire public career, and especially the recent dismissal of the secretaries who were friendly to Hamilton. After all this criticism, Hamilton wound up with the lame conclusion that the electors should vote equally for Adams and Pinckney, in order to preserve Federal ascendancy. He yielded to the protests of his friends so far as to keep the circulation of the pamphlet within a small circle, but it was hardly off the press before a copy was in the hands of Aaron Burr, the Democratic leader in New York, and was used with effect against the Federalist President.

The downfall of Federalism came with the presidential election of 1800. Jefferson and Burr were the Democratic candidates for President and Vice-President. Each was voted for by all the Democratic electors,

giving them an equal number of votes and a majority of the electoral college. This threw the election into the House of Representatives, which was Federalist but was compelled by the provisions of the Constitution to decide between the two leading candidates, Jefferson and Burr. Some of the Federalists were ready to stoop to any means for striking at Jefferson, the great representative of Democratic ideals. If the Federalists in Congress could have effected a combination with the Democrats from states where Burr was influential, they might have been able to elect Burr President instead of Jefferson. But the Democrats, even from New York, voted for Jefferson, and it was evident that he must be chosen or there would be no election. Feeling in the country ran high, and there were threats of violence if the election of Jefferson should be defeated by intrigue.

Hamilton behaved on this occasion with the high sense of public duty which marked most of his acts. Familiar as he was with the unscrupulous methods and doubtful char-

acter of Burr in New York politics, he felt that it would be criminal to put him in office. He had little reason to love Jefferson, who had filled the ears of Washington with slurs against himself, but he felt that the election belonged to Jefferson and that his defeat by a political intrigue would be a greater menace than his election to the system established by the Constitution. With Bayard of Delaware, the Federalist leader in the House, Hamilton threw himself strongly into the contest against Burr. His advice was not at first followed. The House ballotted from the eleventh to the sixteenth of February without reaching a choice. A caucus of the Federalists was then held; it appeared that Jefferson had given some assurances of a conservative policy in office, the views of Hamilton and Bayard prevailed, and on February 17, 1801, the Federalist members from several states withheld their votes, and Jefferson was elected.

The retirement of the Federalists from power substantially ended the public services of Hamilton. He continued to watch

public events with interest during the remaining five years of his life, and to be regarded as the leader of the Federalist party, but the party had shrunk to a corporal's guard in Congress and the long reign of the Democratic party had begun, which was to be interrupted during only two presidential terms until the election of Lincoln in 1860. Hamilton, therefore, at the age of forty-three, had completed his constructive work and ceased to influence public affairs except by his writings and speeches. It might almost be said that this work was done with the close of the administration of Washington in 1797, and that his great fame would have shone with brighter lustre if he had not lived to take part in the later differences and quarrels of the Adams administration. His life was not without service, however, under Adams, since his influence over members of the cabinet several times restrained rash policies, and between the conflicting passions of the champions of France and of the friends of Great Britain, kept the ship of state steady upon a safe course.

VIII

HAMILTON'S DEATH AND CHARACTER

THE death of Hamilton was in a peculiar sense a part of his public career. He had never hesitated to denounce in strong terms the public career and some of the private acts of Aaron Burr. The latter, after losing the presidency, sought the governorship of New York, and entered into correspondence with the Federalist leaders in New England with a view to the formation of a Northern confederacy. Hamilton succeeded in dividing the Federalist vote in New York so as to give the election to Lewis, Burr's democratic rival. Burr then determined to force a personal quarrel upon Hamilton in order to obtain revenge upon the man who had so often thwarted him. Hamilton had no desire to fight, but he did not feel able to repudiate the code of the duelist as it was then accepted among gentlemen.

It was on June 17, 1804, that Colonel Burr, through his intimate friend Judge Van Ness, demanded an apology for a criticism by Hamilton which had reached Burr's ears. Several letters were exchanged before it became plain that Burr was bound to force a quarrel or to humiliate Hamilton to a point which he knew would not be endured. When Burr's true purpose became plain to Hamilton, he requested a short time to close up several important cases for his clients, which were then pending in the circuit court. The circuit having terminated, Colonel Burr was informed (Friday, July 6, 1804) that Hamilton would be ready to meet him at any time after the following Sunday. Both men realized that the meeting might be fatal, and prepared for it in a characteristic way. Burr, who because of his fascinating manners was a great favorite with women, destroyed the compromising letters which he had received and devoted his spare hours to pistol practice. Hamilton had fewer such letters to destroy, and was determined not to kill Burr if it could be

avoided. He drew up his will, and prepared a statement of his reasons for fighting. This statement set forth that he was opposed to the practice of dueling and had done all that was practicable, even beyond the demands of a punctilious delicacy, to secure an accommodation. He then said : —

“ I have resolved, if our interview is conducted in the usual manner, and it pleases God to give me the opportunity, to reserve and throw away my first fire ; and I have thought even of reserving my second, and thus giving a double opportunity to Colonel Burr to pause and repent.”

The arrangements for the duel were made on Monday, and on the following Wednesday (July 11) the meeting took place at seven o'clock in the morning at Weehawken, three miles above Hoboken, on the west shore of the Hudson. Burr and Hamilton exchanged salutations, the seconds measured the distance, which was ten paces, and the parties took their respective stations. At the first word, Burr fired. Hamilton's weapon was discharged in the air, and he

almost instantly fell, mortally wounded. The ball struck the second or third false rib, fractured it about the middle, passed through the liver and diaphragm, and lodged in the first or second lumbar vertebra. Hamilton was at first thought to be dead, but he revived when put on board the boat which was in waiting, and was able to utter a few words as he was borne towards his home. He died on the day after the meeting at two o'clock in the afternoon. Even in his death he rendered a parting service to his countrymen, by the revulsion of feeling which was everywhere aroused against the practice of dueling. The news of his premature taking off caused a wave of grief and indignation to spread over the country, differing from the chastened sorrow felt over the death of Washington, because Washington had met his end full of years and honors, and in the natural order of nature.

The concluding statement made by Hamilton in the paper which he left regarding his meeting with Burr gives some clue to his reasons for fighting. This paragraph ran as follows:—

“To those who, with me, abhorring the practice of dueling, may think that I ought on no account to have added to the number of bad examples, I answer that my relative situation, as well in public as private, enforcing all the considerations which constitute what men of the world denominate honor, imposed on me (as I thought) a peculiar necessity not to decline the call. The ability to be in future useful, whether in resisting mischief or effecting good, in those crises of our public affairs which seem likely to happen would probably be inseparable from a conformity with public prejudice in this particular.”

This statement has been construed to mean that Hamilton looked forward to the time when the Constitution would be assailed by extremists and he would be called by events to put himself at the head of a movement for a stronger government, and perhaps even to lead an army. Several passages in his writings, especially after the downfall of the Federalists, gave color to the view that he feared an outbreak of Ja-

cobin violence in America, and the failure of the Constitution in such an event to resist the strain which would be put upon it. In a letter to Gouverneur Morris (February 27, 1802), he drops into the following gloomy forebodings: —

“ Mine is an odd destiny. Perhaps no man in the United States has sacrificed or done more for the present Constitution than myself; and, contrary to all my anticipations of its fate, as you know, from the very beginning, I am still laboring to prop the frail and worthless fabric. Yet I have the murmurs of its friends no less than the curses of its foes for my reward. What can I do better than withdraw from the scene? Every day proves to me more and more that this American world was not made for me.”

This mood of despondency was not the usual mood of Hamilton. Much as he abhorred the sympathy with France shown by the Democrats and the tendency towards French ideas, his habitual temper was for combination and action rather than surren-

der. During the three years which followed the inauguration of Jefferson, he continued, though busy with his law practice, to keep up in private life an active correspondence with Federalist leaders throughout the country, and to advise earnest efforts to defeat Democratic policies. Only the day before the duel, in a letter to Sedgwick of Massachusetts, he indirectly condemned a project which was on foot for a combination of the Northern States into a separate confederacy. He said that "dismemberment of our empire will be a clear sacrifice of great positive advantages without any counterbalancing good, administering no relief to our real disease, which is Democracy."

Hamilton had fears for the future of the Union under the Constitution which were much exaggerated by his leanings towards a strong, self-centred government like that of Great Britain. It is not unreasonable to believe that he felt that he might again be called upon to play a great part in politics as the leader of his party, and that under the prejudices then prevailing he would

weaken his personal influence if he refused a challenge. The public man of that day who could be charged with cowardice or lack of regard for his personal honor would suffer much with the masses, if not with the party leaders, who understood his character and abilities. Hamilton hardly needed to prove his personal courage to any reasonable man after his services in the Revolution, including his reckless charge upon the redoubt at Yorktown, but political foes might forget these evidences of his character if he should tamely submit to insult from a political opponent. It is doubtful whether his purpose in meeting Burr went beyond this submission to the general prejudice in favor of dueling and the belief on his part that his position as a gentleman and a political leader required him to accept the challenge.

The high abilities and great services of Hamilton to the new Union have been sufficiently set forth in these pages to make unnecessary any elaborate estimate of his character and attainments. His essential merit was that of a constructive and organizing

mind, which saw the opportunity for action and was equal to the opportunity. Hamilton was governed to a large extent by his intellect, but having reasoned out a proposition to be sound and wise, he rode resolutely to its accomplishment, taking little account of the obstacles in the way. He was not a closet philosopher, pursuing abstract propositions to their sources, and searching, through the discordant threads of human destiny, the ultimate principles of all things; but his mind was keen and alert in seizing upon reasoning which seemed obviously sound, laboring in behalf of his convictions, and presenting them with force and simplicity to others. He found the career for which he was preëminently fitted in the organization of the financial system and the consolidation of the Union, under the first administration of Washington. He was less fitted for the career of a politician in times less strenuous, or when tact and finesse were more useful in securing results than clear reasoning and strong argument.

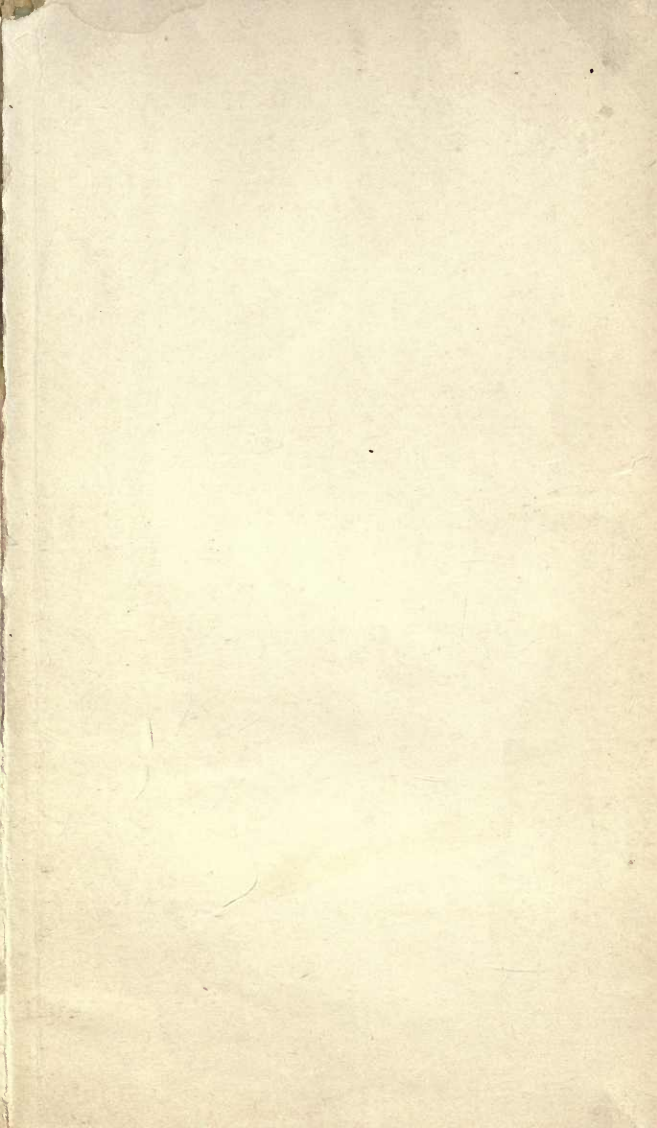
Hamilton was cut off when he had only

recently resumed his professional career, but was making a distinguished record at the bar. Always a great lawyer, he would soon have accumulated a fortune if he had lived amid the tempting opportunities of to-day. As it was, his legal fees were modest and his sudden death left large debts. He bequeathed the request to his sons that they should assume these debts if his estate was insufficient, but the gratitude of some of the wealthy Federalists relieved them of this filial obligation. Hamilton had six sons, but most of them were already approaching a self-supporting age when he died. His oldest son had fallen a victim to the barbarous practice of dueling in a petty quarrel at a theatre three years before the father's death. The fourth son, Mr. John C. Hamilton, gave much time to the study of his father's career, and prepared the *Life of Hamilton* which has been the source of the later work of historians. Hamilton's widow, the daughter of General Schuyler, survived until 1854, when she died at the age of ninety-seven years and three months.

As a man in private life, Hamilton was loved and respected by those who came closest to him, but it was as much by the qualities of his mind as by the special fascinations of his manner. He commanded the respect and support of most of the leaders of his party, because they were great enough to grasp and appreciate his reasoning, but he was never the idol of the people to the same extent as many other leaders. He would probably have made a great career in whatever direction he might have turned his high abilities, but he was fortunate in finding an opportunity for their exercise in a crisis which enabled him to render greater services to the country than have been rendered by almost any man in her history, with the exception of Washington and Lincoln.

The Riverside Press

*Electrotyped and printed by H. O. Houghton & Co.
Cambridge, Mass., U. S. A.*



pg 46

RETURN TO the circulation desk of any
University of California Library

or to the

NORTHERN REGIONAL LIBRARY FACILITY
Bldg. 400, Richmond Field Station
University of California
Richmond, CA 94804-4698

ALL BOOKS MAY BE RECALLED AFTER 7 DAYS

- 2-month loans may be renewed by calling
(510) 642-6753
- 1-year loans may be recharged by bringing
books to NRLF
- Renewals and recharges may be made
4 days prior to due date

DUE AS STAMPED BELOW

JUN 12 2003

YA 04562

1757 TO 1804

47

227.636

E302

H3C7

UNIVERSITY OF CALIFORNIA LIBRARY

